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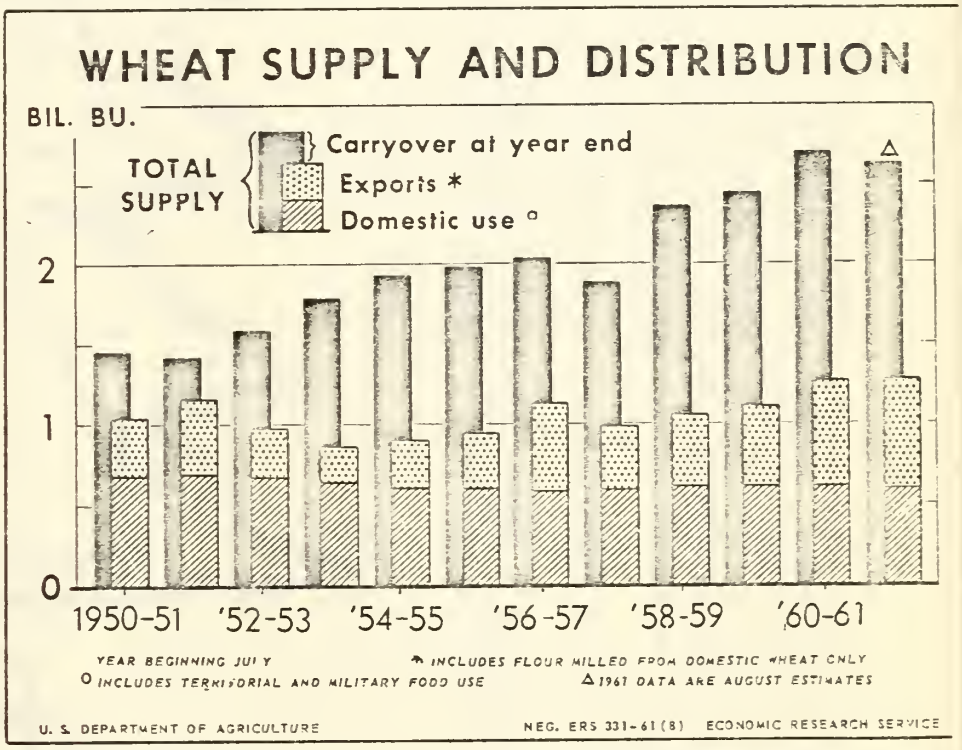
The WHEAT SITUATION

Wheat supplies in 1961-62 of 2,619 million bushels are second only to the record 2,672 million bushels a year earlier. Exports are expected to total an all-time record of 675 million bushels and domestic disappearance about 594 million.

Thus, the carryover at the end of the 1961-62 marketing year may be about 1,350 million bushels, about 60 million bushels below the 1961 carryover and the first decline since 1958 when the carryover was 881 million bushels.

Assuming a production in 1962 of around 1,075 million bushels, reflecting participation in the new program, estimating domestic disappearance at about 585 million bushels and assuming exports at 625 million, the July 1, 1963 carryover would be down about 125 million bushels from the estimated carryover July 1, 1962.



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The 1962 Wheat Outlook

The New Wheat Stabilization Program

Consumption of Macaroni, Spaghetti and Noodles

Published five times a year by
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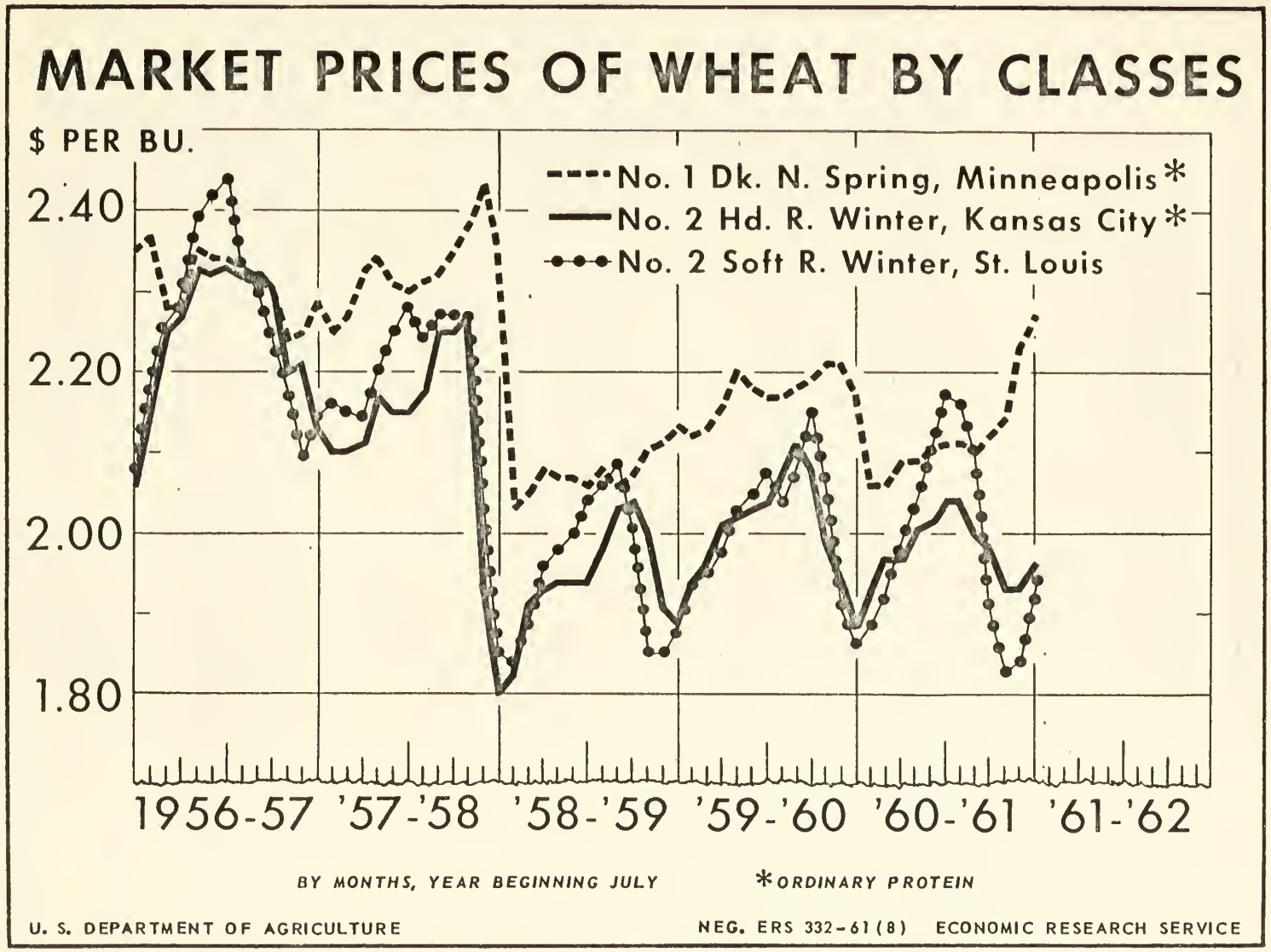

The price of soft red winter wheat has usually averaged above the price of hard red winter wheat for most months and annually. In the past 5 years, the annual average price of No. 2 Soft Red Winter at St. Louis was above the price of No. 2 Hard Red Winter at Kansas City, 5 cents in one year, 1 cent in each of 3 years, and the same in one year. In the 5 years, the price of No. 1 Dark Northern Spring at Minneapolis averaged 14 cents above the price of No. 2 Hard Red Winter at Kansas City.

THE WHEAT SITUATION
Including Rye

Approved by the Outlook and Situation Board, August 25, 1961

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SUMMARY

The new Wheat Stabilization Program, one of the major provisions of the Agricultural Act of 1961, became effective for the 1962 crop as the result of the 79.4 percent affirmative vote in the August 24th referendum. The objectives of the program are: (1) To increase farm income, (2) to halt the build-up of supplies and (3) to reduce Government storage costs. Program objectives would be achieved by a combination of higher price-support levels and reduced production.

The sign-up will begin, as now planned, in the winter wheat producing areas in mid-September and will run for about 6 weeks.

Farmers who sign up and participate in the program will be eligible for price support. On August 9, the Secretary of Agriculture set the minimum national average support price for 1962-crop wheat in the 39 designated commercial wheat producing States at $2.00 per bushel, which compares with the 1961-crop support of $1.79 per bushel.

Considering the possible sign-up under the new stabilization program, an analysis made in the Department indicates a production in 1962, assuming about average growing conditions, of between 1,025 million and 1,125 million bushels. The mid-point of this range of 1,075 million bushels would be about 130 million bushels below the August estimate of the 1961 crop.

U. S. exports for 1962-63 are projected at 625 million bushels, which is below that of 1960-61 and the estimate for 1961-62 because large exports in these years resulted from poor crops in some importing and exporting countries. Domestic disappearance may total about 585 million bushels, compared with 594 million estimated for 1961-62. This indicates a total disappearance of 1,210 million bushels, which would be in excess of a crop of 1,075 million bushels by about 135 million. Allowing for small imports, total disappearance would exceed the total of production and imports by about 125 million bushels and this would indicate the extent of the possible reduction in the carryover during the 1962-63 marketing year. The greatest reduction in the carryover would come in hard red winter wheat, stocks of which are especially burdensome.

U.S.D.A. announced on August 23 that premiums for quality in hard bread wheats, as indicated by the sedimentation test, will be included in the 1962-crop wheat price support operations. The purpose is to reflect the quality value of wheat in producer support prices, thus encouraging production of higher quality wheat.

The new premiums for quality will supplant the present protein premiums now included in the wheat price support rate schedule. While protein tests show the protein content in a specific lot of wheat, the sedimentation test reveals the quality of the gluten, which is more meaningful in identifying the wheats which are capable of producing the more desirable flour for commercial bread-baking.

The total U. S. wheat supply for the 1961-62 marketing year is estimated at about 2,620 million bushels, slightly below the record of last year. A decrease of 146 million bushels in the estimated 1961 production from a year earlier more than offsets an increase of 93 million bushels in the carryover. The estimate for domestic disappearance is about 595 million bushels, slightly below last year. Exports at 675 million bushels are expected, a little above the 1960-61 record of 662 million bushels. Prospective carryover on July 1, 1962 of about 1,350 million bushels, would be about 60 million bushels below the 1961 carryover and the first decline in stocks since 1958.

Wheat prices generally have advanced from levels of early June and are currently near to sharply above the effective support level. With high prices this early in the season, and considering the tight holding by farmers, record exports and the higher support rate for 1962 wheat, prices to farmers for the 1961 crop may average more than 6 cents above the effective support level, which would be above $1.76 per bushel. In 1960-61, prices to farmers averaged $1.75 per bushel, which was about 6 cents above the effective support rate. The announced support for the 1961 crop is $1.79 per bushel, one cent above that of a year earlier.

Another large 1961 world wheat crop is indicated, though not up to the near-record 1960 total. Preliminary information indicates that substantial reductions from the 1960 level in North America, Europe and Africa are partly offset by better prospects in the Soviet Union, Asia and South America.

World wheat trade in 1961-62 is expected to reach at least the same level as in 1960-61. In that year, trade totaled about 1.5 billion bushels, an all-time record and 12 percent higher than the year before.

THE CURRENT DOMESTIC WHEAT SITUATION

BACKGROUND - The supply of wheat in continental U. S. increased from 1,420 million bushels in 1951-52 to a record 2,047 million in 1956-57, fell to 1,875 million in 1957-58, and then rose to a new all-time record of 2,672 million in 1960-61.

The average supply for the 5 years ending 1960-61 was 2,273 million bushels, about 2-1/3 times the prewar 1936-40 average of 935 million bushels. Average annual disappearance of 1,112 million bushels in 1956-60 (table 1) consisted of: Food,492 million (including non-continental U. S. use of about 3 million bushels and military food use at home and abroad of 7 million); seed, 63 million; feed, 44 million and exports, 513 million. Carryover stocks at the end of the period on June 30, 1961 were 1,407 million bushels compared with 1,033 million at the beginning of the period on July 1, 1956.

Wheat prices to farmers were well above support levels in the years 1942 through 1947, influenced by exceptionally heavy feeding and industrial use of wheat (subsidized for both uses), and by heavy exports. In the latter part of the 1944-45 marketing year and for 3 years thereafter, exports were stimulated by foreign aid programs and became the dominant price factor.

Beginning in 1948, the support program became the most important price-influencing factor, as it was in the period from 1938 to late 1942. The season average price to farmers (which included unredeemed loans at average loan rates) for the 1948, 1951, 1952, 1954 and 1955 crops were about at the effective loan rate-- announced rate less storage costs. While prices for the 1950 crop averaged above effective support, prices for the 1949 and 1953 crops averaged below the effective loan-- about 7 cents in 1949 and about 8 cents in 1953.

Prices to farmers in 1956-57 averaged about 6 cents above the effective loan, the result of increased export demand, stepped-up U. S. foreign aid programs, the improved quality of wheat, and the export program inaugurated September 4, 1956. In this export program, which is still in effect, wheat for most exports is required to be drawn from private stocks rather than from CCC. Reflecting the reduction in exports from the record

Table 1 .- Wheat: Supply and distribution, United States, 1955-61

Item	Year beginning July						
	1955	1956	1957	1958	1959	1960 1/	1961 2/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Supply							
Carryover on July 1	1,036.2	1,033.4	908.8	881.0	1,295.1	1,313.5	1,407
Production	937.1	1,005.4	955.7	1,457.4	1,121.1	1,350.3	1,204
Imports 3/	9.9	7.8	10.9	7.8	7.4	8.2	8
Total	1,983.2	2,046.6	1,875.4	2,346.2	2,423.6	2,672.0	2,619
Domestic disappearance							
Food 4/	481.6	482.5	486.1	497.1	496.7	495.7	500
Seed	67.7	57.7	63.2	65.1	63.7	64.3	49
Industry	.7	.5	.3	.1	.1	.1	---
Feed 5/	53.5	47.6	41.9	45.5	39.7	43.8	45
Total	603.5	588.3	591.5	607.8	600.2	603.9	594
Exports 6/	346.3	549.5	402.9	443.3	509.9	661.5	675
Total disappearance	949.8	1,137.8	994.4	1,051.1	1,110.1	1,265.4	1,269
Stocks on June 30	1,033.4	908.8	881.0	1,295.1	1,313.5	1,406.6	1,350

1/ Preliminary.
2/ Estimated.
3/ Imports include full-duty wheat, wheat imported for feed, and dutiable flour and other wheat products in terms of wheat. They exclude wheat imported for milling in bond and export as flour, also flour free for export.
4/ Includes shipments to United States Territories and wheat for military food use at home and abroad.
5/ This is the residual figure, after all other disappearance is accounted for.
6/ Exports are of wheat, including flour wholly from U. S. wheat and other wheat products in terms of wheat. They include exports for relief or charity by individuals and private agencies. Shipments are included in domestic disappearance for food.

high level of the previous year, the average price received by farmers in 1957-58 declined to about 2 cents above the effective support level. In spite of the record large crop in 1958-59, prices that year again averaged about 2 cents above effective support. Then in 1959-60 and 1960-61, with exports at very high levels, prices to farmers averaged about 4 and 6 cents, respectively, above effective supports.

Supply Reduced in 1961-62;
Decline in Stocks Expected at Year-End

The total wheat supply for the marketing year beginning July 1, 1961 is now estimated at 2,619 million bushels, 2 percent below the record of 2,672 million bushels a year earlier (table 1). A decrease of 146 million bushels in the indicated production more than offsets an increase of 93 million bushels in the carryover on July 1, 1961. The 1961 crop was indicated as of August 1, at 1,204 million bushels. The carryover July 1, 1961 totaled 1,407 million bushels and imports in 1961-62 may total about the same as the 8 million bushels last year.

Domestic disappearance for 1961-62 is now estimated at about 594 million bushels, slightly below last year because of reduced use of wheat for seed; exports at 675 million would be slightly above the record 662 million in 1960-61 and continue to reflect a large proportion shipped under Government programs (table 9). On the basis of these estimates, about 1,350 million bushels would be carried over on July 1, 1962--about 60 million bushels below the 1961 carryover. This would be the first decline in stocks since 1958, when the carryover was 881 million bushels.

1961 Carryover of Hard Red Winter Up Sharply;
Hard Red Spring Up Moderately; White Wheat Down

On July 1, 1961 the carryover of hard red winter wheat (table 3), represents almost 80 percent of all wheat stocks, totaled about 1,108 million bushels, up about 100 million from a year earlier. Stocks of hard red spring wheat at 237 million bushels were up 18 million. Little or no change was registered for soft red winter and durum. Large exports of white wheat in 1960-61 reduced stocks of this class down from 66 million bushels to 38 million.

Old-Crop "Free" Supplies Total
About 39 Million Bushels

Of the total carryover of 1,407 million bushels (table 26) of old-crop wheat on July 1, 1961, the CCC owned 1,243 million bushels 1/, 48 million

1/ As reported by the Fiscal Branch, ASCS, compared with 1,205 shown by operating reports which provides a breakdown by States and by classes of wheat.

Table 2.-Wheat: Acres seeded and production, United States and by regions, averages 1935-50, annual 1946-61

Period	United States	Great Plains 1/	Northwest 2/	Corn Belt and Lake States 3/	South 4/	All other states
	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres
	Acres seeded					
Average:						
1935-39	73.2	49.8	4.7	12.7	2.8	3.2
1941-45	61.4	43.8	4.2	8.3	2.5	2.6
1946-50	76.7	56.3	5.5	9.8	2.1	3.0
1946	71.6	53.3	5.1	8.4	2.0	2.8
1947	78.3	58.1	5.4	9.5	2.3	3.0
1948	78.3	56.7	5.6	10.6	2.2	3.2
1949	83.9	61.8	5.9	11.0	2.1	3.1
1950	71.3	51.8	5.2	9.5	1.8	3.0
1951	78.5	57.9	6.0	9.9	1.8	2.9
1952	78.6	57.5	6.1	10.1	1.9	3.0
1953	78.9	56.8	6.2	10.7	2.3	2.9
1954	62.5	45.7	4.5	8.3	1.7	2.3
1955	58.2	42.2	4.2	7.9	1.7	2.2
1956	60.7	43.5	4.8	8.4	1.9	2.1
1957	49.8	33.4	4.0	8.4	2.1	1.9
1958	56.0	39.7	4.2	8.4	1.7	2.0
1959	56.8	40.1	4.2	8.8	1.8	1.9
1960 5/	54.9	39.3	4.1	8.1	1.6	1.8
1961 5/	55.5	39.6	4.1	8.4	1.7	1.7
	Production					
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Average:						
1935-39	759	371	93	200	32	63
1941-45	985	645	108	148	33	51
1946-50	1,185	760	132	203	30	60
1946	1,152	758	138	172	29	55
1947	1,359	940	126	195	35	63
1948	1,295	827	145	233	32	58
1949	1,098	655	120	234	27	62
1950	1,019	621	130	183	24	61
1951	988	585	148	168	30	57
1952	1,306	832	157	221	34	62
1953	1,173	621	169	279	39	65
1954	984	541	136	220	33	54
1955	937	516	117	223	29	52
1956	1,004	550	124	240	39	51
1957	956	544	144	189	34	45
1958	1,457	980	140	254	31	52
1959	1,121	683	148	207	35	48
1960 5/	1,350	902	129	239	35	45
1961 6/	1,204	757	114	248	41	44

1/ North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Montana, Wyoming, Colorado, and New Mexico. 2/ Idaho, Washington and Oregon. 3/ Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa and Missouri. 4/ Virginia, West Virginia, North Carolina, South Carolina, Georgia, Kentucky, Tennessee, Alabama, Mississippi and Arkansas. 5/ Preliminary. 6/ August 1 estimate.

more than a year earlier and 96 million above 2 years ago. On July 1, the quantity outstanding under loan and reseal from the 1960 crop and under extended reseal from crops of the past 3 years totaled about 87 million bushels. Wheat held by farmers to postpone or avoid payment of penalty for overplanting acreage allotments probably amounted to around 38 million bushels, on the basis of the last available figure on December 31, 1960. These figures indicate that "free" supplies of old-crop wheat on July 1, 1961 amounted to about 39 million bushels, which compares with 22 million on July 1 a year earlier.

Production of All Wheat 10 Percent Above Average: Winter Above Average and Spring Below

Production of all wheat in 1961 was estimated, as of August 1, at 1,204 million bushels, 11 percent below the 1960 production, but a tenth above average (table 5.). The estimate of the crop was down a net quantity of 55 million bushels from a month earlier, with a decline of 59 million bushels in winter wheat and an increase of 4 million in spring wheat. Indicated average yield of 23.4 bushels per harvested acre of all wheat ranks as third highest of record and is 3.7 bushels above the 1950-59 average.

Prospects for winter wheat production declined 5 percent during July to 1,058 million bushels. The reduction was due largely to a serious rust infestation and excessively hot weather in late June, which caused kernels to shrivel. Frequent showers during harvest were also a factor in some areas, causing grain to shatter or lodge. Despite the reduction in the estimate to 4 percent below 1960, the 1961 winter wheat crop continues as the fifth largest on record, 26 percent above average. The 1961 average yield per harvested acre of 26.1 bushels ranks as the third highest of record and exceeds the 1950-59 average yield by more than 5 bushels.

Production of all spring wheat is now estimated at 146.6 million bushels, 100 million bushels or 41 percent below 1960 production, 43 percent below the 1950-59 average, but 3 percent above the estimate of a month earlier. Prospective yields per harvested acre at 13.4 bushels is 7.3 bushels below last year and 3.0 bushels below the 1950-59 average.

The prospective crop of durum wheat is forecast at 17.9 million bushels, up 9 percent from the July forecast. A crop of this size would be 47 percent below last year's production, 29 percent below average and the smallest since 1954--a year with heavy losses due to rust. The yield of 11.7 bushels per harvested acre compares with 20.8 bushels in 1960 and the 10-year average of 13.8 bushels.

Prospective production of spring wheat other than durum, estimated at 129 million bushels, increased more than 2 million bushels over the July 1 estimate, as much of the important producing area received badly needed rain during July. The crop is still 39 percent below last year and 44 percent

Table 3.- Wheat: Estimated supply and distribution by classes, United States, 1957-61

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1957-58						
Carryover, July 1, 1957	648	10	196	13	42	909
Production	429	155	169	40	163	956
Imports 1/	---	---	11	---	---	11
Supply	1,077	165	376	53	205	1,876
Exports, including shipments 2/	219	30	38	1	118	406
Domestic disappearance 3/	245	129	135	27	53	589
Carryover, June 30, 1958	613	6	203	25	34	881
1958-59						
Carryover, July 1, 1958	613	6	203	25	34	881
Production	836	192	233	22	174	1,457
Imports 1/	---	---	8	---	---	8
Supply	1,449	198	444	47	208	2,346
Exports, including shipments 2/	259	43	46	1	98	447
Domestic disappearance 3/	250	134	147	28	45	604
Carryover, June 30, 1959	940	21	251	18	65	1,295
1959-60						
Carryover, July 1, 1959	940	21	251	18	65	1,295
Production	620	156	151	20	174	1,121
Imports 1/	---	---	7	---	---	7
Supply	1,560	177	409	38	239	2,423
Exports, including shipments 2/	292	40	49	1	130	512
Domestic disappearance 3/	261	127	141	25	43	597
Carryover, June 30, 1960	1,007	10	219	12	66	1,314
1960-61 4/						
Carryover, July 1, 1960	1,007	10	219	12	66	1,314
Production	787	190	187	34	152	1,350
Imports 1/	---	---	8	---	---	8
Supply	1,794	200	414	46	218	2,672
Exports, including shipments 2/	430	55	35	6	138	664
Domestic disappearance 3/	256	133	142	28	42	601
Carryover, June 30, 1961	1,108	12	237	12	38	1,407
1961-62 4/ 5/						
Carryover, July 1, 1961	1,108	12	237	12	38	1,407
Production	744	198	104	18	140	1,204
Imports 1/	---	---	8	---	---	8
Supply	1,852	210	349	30	178	2,619
Exports, including shipments 2/	469	47	45	10	107	678
Domestic disappearance 3/	258	133	139	18	43	591
Carryover, June 30, 1962	1,125	30	165	2	28	1,350

1/ Excludes imports for milling-in-bond and export as flour. 2/ Includes shipments to Alaska and Hawaii and the U. S. Territories. Includes exports for relief or charity by individuals and private agencies. 3/ Wheat for food (including military food use at home and abroad), feed, seed and industry. 4/ Preliminary. 5/ Imports and distribution are estimated.

See explanatory note on page 10.

below average. The yield of 13.7 bushels per acre is the lowest since 1954--a year of heavy rust losses in the Dakotas and Minnesota.

Prospective Carryovers July 1, 1962 of Hard Red Spring, Durum and White Down; Hard Red Winter and Hard Red Spring Up Moderately

The total carryover at the end of the current 1961-62 marketing year may be down around 60 million bushels from the carryover on July 1, 1961. Prospective reductions in hard red spring, durum and white wheat more than offset likely increases in stocks of hard red winter and soft red winter wheat (table 3).

Stocks of hard red winter wheat are not expected to change very much. This would be the first year since 1958 that stocks of this class of wheat have not increased significantly.

The hard red spring wheat carryover on July 1, 1962 may be down about 70 million bushels and durum down about 10 million, both reductions due to short 1961 crops of these classes. A total of 10 million bushels of durum is likely to be exported in 1961-62. With the durum supply totaling only 30 million bushels (July 1, 1961 stocks estimated at 12 million bushels and 1961 production at 18 million) and assuming a minimum carryover of 2 million bushels at the end of the year, only about 18 million bushels would remain for domestic disappearance to take care of food, seed and feed. This disappearance compares with the 1956-60 average of 26 million bushels.

Stocks of soft red winter wheat July 1, 1962 may be increased about 18 million bushels. The larger stocks will supplement supplies in 1962-63 by offsetting the substantial reduction expected in the 1962 crop as a result of participation in the wheat stabilization program. The actual extent of any increase in the 1962 carryover would depend on the limiting of exports largely to cash grain and flour.

Some further reduction in stocks of white wheat are anticipated as a result of the small 1961 crop and a continued high level of exports.

Record Exports Push Wheat Disappearance in 1960-61 14 Percent Above Year Earlier

Wheat disappearance in the 1960-61 marketing year totaled 1,265 million bushels, 155 million or 14 percent above the 1,110 million a year earlier and 247 million bushels or 24 percent above the 1950-59 average of 1,018 million.

Domestic disappearance at 604 million bushels was about the same as the 600 million bushels a year earlier. Exports (including products in terms of grain) totaled a record 662 million bushels, 152 million or 30 percent above the

Table 4 .- Wheat and rye: Cash closing prices and support prices at terminal markets, specified months and days, 1960 and 1961

Commodity, market and grade	Cash closing prices								1961-crop support prices	
	Monthly average					Daily range			Effective	Terminal
	July 1960	April 1961	May 1961	June 1961	July 1961	August 17, 1960	August 10 1961	August 17, 1961	August 17, 1961	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Wheat:										
Chicago:										
No. 2 Hard Red Winter	1.93	1.92	1.88	1.93	1.98	1.95-1.96	2.00-2.01	2.01	2.00	2.08
No. 2 Soft Red Winter	1.85	1.93	1.88	1.89	1.94	1.88	1.98	1.97	2.00	2.08
St. Louis:										
No. 2 Soft Red Winter	1.86	1.91	1.83	1.84	1.94	1.85-1.90	1.97-2.02	1.96-2.02	2.00	2.08
Kansas City:										
No. 2 Hard Red Winter, ordinary protein	1.88	1.98	1.93	1.93	1.96	1.91-1.93	2.02-2.03	2.02	2.00	2.08
No. 2 Hard Red Winter, 13 percent protein	2.01	2.09	2.04	2.07	2.17	1.97-2.10	2.18-2.27	2.18-2.27	2.02	2.10
No. 2 Soft Red Winter	1.88	1.98	1.93	1.93	1.96	1.90-1.92	2.02-2.03	2.02	2.00	2.08
Fort Worth:										
No. 2 Hard Red Winter	2.19	2.26	2.23	2.21	2.28	2.20-2.26	2.29-2.33	2.31-2.34	2/2.19	2/2.27
Minneapolis:										
No. 1 Dark Northern Spring, ordinary protein	2.17	2.12	2.14	2.23	2.27	2.05-2.08	2.20-2.22	2.23-2.26	2.08	2.16
No. 1 Dark Northern Spring, 13 percent protein	2.21	2.14	2.17	2.25	2.30	2.08-2.12	2.22-2.27	2.24-2.30	2.11	2.19
No. 1 Dark Northern Spring, 15 percent protein	2.26	2.18	2.21	2.28	2.35	2.12-2.17	2.26-2.31	2.28-2.34	2.14	2.22
No. 2 Hard Amber Durum	2.36	2.21	2.25	2.41	2.83	2.31-2.34	3.03-3.05	3.20-3.25	2.17	2.25
Portland:										
No. 1 Hard White, 12 percent protein	2.05	2.20	2.21	2.17	2.14	2.06-2.08	2.20	2.20-2.21	3/1.94	3/2.02
No. 1 Soft White	1.94	2.04	2.01	1.97	2.02	1.96-1.97	2.08	2.08	1.91	1.99
Toledo:										
No. 2 Soft Red Winter	1.74	1.85	1.80	1.82	1.87	1.76-1.78	1.89-1.90	1.91-1.92	---	---
No. 2 Soft White	1.77	1.82	1.79	1.82	1.87	1.84-1.86	1.90-1.91	1.93-1.94	---	---
Rye:										
Minneapolis: No. 2	1.09	1.07	1.11	1.14	1.24	1.04-1.07	1.18-1.22	1.14-1.18	1.14	1.24

1/ Cash grain closing prices are not the range of cash sales during the day but are on-track cash prices established at the close of the market. The terminal rate is a rate used in determining the effective support price for grain in terminal storage or in transit to terminal and for calculating most county price support rates. The effective support price is the established terminal support rate for grain received by rail minus the deduction for storage as of the date shown. A comparison of the above effective price support rate and the current cash closing price is an indication of whether the market price is above or below the support rate provided the location of the grain is on track at the specified terminals. The monthly average price is the simple average of the daily closing prices.

2/ Galveston effective and terminal support price. The cash price at Fort Worth is usually backed by paid-in freight which will carry it to Galveston, Therefore, cash prices at Fort Worth may usually be compared with the effective support price at Galveston. A terminal support price is not established for Fort Worth.

3/ Applies only to the varieties Baart and Bluestem of the sub-class Hard White.

510 million a year earlier, and 271 million bushels or 70 percent above the 1950-59 average of 390 million bushels. A large proportion of exports were again financed under the various Government programs. Table 9 shows exports under these programs, 1949-50 through 1960-61.

Wheat Prices Seasonally High; Prices To Farmers in 1961-62 May Average Higher Than $1.76 Per Bushel

Wheat prices have advanced from the levels of early June; the price on August 25 of ordinary protein hard wheat at Kansas City was up 12 cents and soft red at St. Louis up 15 cents. The price at Kansas City was 3 cents above the effective support price largely as a result of the strong export demand, the tight holding policy of farmers and country elevators and the higher price support level for 1962. Wheat prices at a number of country stations in Texas and Oklahoma have been especially favorable, with sales being made from bin sites at the CCC statutory minimum. Proteins are commanding a substantial premium because of the low average protein test for the crop. The price of soft red winter at St. Louis was 4 cents below the effective support, reflecting some recent reduction in export demand.

Spring wheat prices at Minneapolis reached their seasonal high to date on August 17, but with harvest movement under way, they have since declined 3 cents. However, they are still 14 cents above the effective support level, reflecting the shortness of the spring wheat crop. A substantial quantity of spring wheat also has been sold at the statutory minimum. With the very small durum crop, durum prices are sharply higher than other wheats. On August 25, soft white wheat prices at Portland were at the high for the season to date and 21 cents above the effective support. They were 15 cents above early June. Export demand has been heavy for slow marketings.

Prices on August 25 for dominant classes and grades were above a year earlier as follows: Minneapolis, 17 cents; Portland, 16 cents; Kansas City, 8 cents and St. Louis, 7 cents.

The seasonal advance in wheat prices this marketing year cannot be expected to be as great as usual because prices started at relativly high levels and have already advanced to or sharply above the effective supports. Prices to farmers in 1960-61 averaged $1.76 per bushel, about 6 cents above the effective support rate--the announced rate with an allowance for storage. With favorable prices this early in the season and considering the strength of the factors dominating the market, prices to farmers for the 1961-62 marketing year may average higher relative to the effective support than they did in 1960-61. In other words, prices to farmers may be expected to average higher than $1.76 per bushel.

Quantities Under Price Support Slightly Above Year Earlier

Through July 31, farmers had put 129.9 million bushels of 1961-crop wheat under price support loans and purchase agreements. This is slightly more than th

Table 5 .- All wheat and winter wheat: Acreage, yield and production, United States, 1945-61

Year of harvest	All wheat: Seeded acreage	All wheat: Seeded but not harvested for grain	All wheat: Yield per seeded acre	All wheat: Production	Winter wheat: Seeded acreage	Winter wheat: Seeded but not harvested for grain	Winter wheat: Yield per seeded acre	Winter wheat: Production
	1,000 acres	1,000 acres	Bushels	1,000 bushels	1,000 acres	1,000 acres	Bushels	1,000 acres
1945	69,192	4,025	16.0	1,107,623	50,463	3,439	16.2	816,989
1946	71,578	4,473	16.1	1,152,118	52,227	3,856	16.7	869,592
1947	78,314	3,795	17.4	1,358,911	58,248	3,313	18.2	1,058,976
1948	78,345	5,927	16.5	1,294,911	58,332	5,369	17.0	990,141
1949	83,905	7,995	13.1	1,098,415	61,177	6,763	14.0	858,127
1950	71,287	9,680	14.3	1,019,344	52,399	9,149	14.1	740,637
1951	78,524	16,651	12.6	988,161	56,145	16,052	11.6	650,822
1952	78,645	7,515	16.6	1,306,440	56,997	6,102	18.7	1,065,220
1953	78,931	11,091	14.9	1,173,071	57,087	10,154	15.5	885,032
1954	62,539	8,183	15.7	983,900	46,617	7,399	17.2	801,369
1955	58,246	10,956	16.1	937,094	44,297	10,590	15.9	705,636
1956	60,655	10,887	16.6	1,005,397	44,418	8,886	16.7	740,592
1957	49,843	6,089	19.2	955,740	37,420	5,750	19.0	711,798
1958	56,017	2,970	26.0	1,457,435	43,674	2,651	26.9	1,173,538
1959	56,772	4,991	19.7	1,121,118	43,615	4,053	21.0	917,752
1960 1/	54,890	3,031	24.6	1,350,339	42,677	2,700	25.9	1,103,895
1961 2/	55,524	4,074	21.7	1,204,096	43,294	2,746	24.4	1,057,540

1/ Preliminary. 2/ Indicated as of August 1.

Table 6 .- All spring wheat, durum and other: Acreage, yield and production, United States, 1945-61

Year of harvest	All spring wheat: Seeded acreage	All spring wheat: Seeded but not harvested for grain	All spring wheat: Yield per seeded acre	All spring wheat: Production	Durum: Seeded acreage	Durum: Seeded but not harvested for grain	Durum: Yield per seeded acre	Durum: Production	Spring other than durum: Seeded acreage	Spring other than durum: Seeded but not harvested for grain	Spring other than durum: Yield per seeded acre	Spring other than durum: Production
	1,000 acres	1,000 acres	Bushels	1,000 bushels	1,000 acres	1,000 acres	Bushels	1,000 bushels	1,000 acres	1,000 acres	Bushels	1,000 bushels
1945	18,729	586	15.5	290,634	2,026	22	16.2	32,840	16,703	564	15.4	257,794
1946	19,351	617	14.6	282,526	2,493	40	14.4	35,836	16,858	577	14.6	246,690
1947	20,066	482	14.9	299,935	2,975	27	14.9	44,328	17,091	455	15.0	255,607
1948	20,013	558	15.2	304,770	3,278	58	13.8	45,142	16,735	500	15.5	259,628
1949	22,728	1,232	10.6	240,288	3,767	197	10.4	39,072	18,961	1,035	10.6	201,216
1950	18,888	531	14.8	278,707	2,918	89	12.8	37,212	15,970	442	15.1	241,495
1951	22,379	599	15.1	337,339	2,586	68	13.4	34,762	19,793	531	15.3	302,577
1952	21,648	1,413	11.1	241,220	2,328	154	9.7	22,493	19,320	1,259	11.3	218,727
1953	21,844	937	13.2	288,039	2,103	238	6.2	12,967	19,741	699	13.9	275,072
1954	15,922	784	11.5	182,531	1,637	328	3.0	4,982	14,285	456	12.4	177,549
1955	13,949	366	16.6	231,458	1,385	37	14.1	19,580	12,564	329	16.9	211,878
1956	16,237	2,001	16.3	264,805	2,489	171	15.6	38,791	13,748	1,830	16.4	226,014
1957	12,423	339	19.6	243,942	2,370	84	16.9	39,935	10,053	255	20.3	204,007
1958	12,343	319	23.0	283,897	938	32	23.1	21,669	11,405	287	23.0	262,228
1959	13,157	938	15.5	203,336	1,217	76	16.6	20,192	11,940	862	15.3	183,174
1960 1/	12,213	331	20.2	246,444	1,671	31	20.4	34,105	10,542	300	20.1	212,339
1961 2/	12,230	1,328	12.0	146,556	1,709	182	10.5	17,906	10,521	1,146	12.2	128,650

1/ Preliminary. 2/ Indicated as of August 1.

Table 7 .- Wheat, Grade No. 1: Price support rates per bushel, principal terminals, 1956-61

Terminal	1956	1957	1958	1959	1960	1961
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
	Hard Red Winter and Soft Red Winter					
Kansas City and Omaha	2.31	2.32	2.15	2.12	2.08	2.09
Chicago	2.31	2.32	2.15	2.12	2.08	2.09
Galveston and Houston	2.46	2.49	2.34	2.32	2.27	2.28
Philadelphia and Baltimore	2.43	2.44	2.27	2.25	2.20	2.21
Albany	2.43	2.44	2.27	2.25	2.20	2.21
	Dark Norther Spring					
Minneapolis, St. Paul, Duluth and Superior	2.34	2.36	2.20	2.19	2.15	2.16
	Soft White, White Club and Western White					
Portland and Seattle	2.21	2.22	2.05	2.03	1.99	1.99
Los Angeles and San Francisco	2.29	2.30	2.13	2.11	2.07	2.07

126.9 million bushels of 1960-crop wheat under support the same date a year earlier. This increase is in the face of an 11 percent smaller crop.

Of the 1961 total, 123.3 million bushels were warehouse-stored loans, 6.5 million bushels farm-stored loans, and slightly over 39,000 bushels were under purchase agreements. Three States -- Kansas, Oklahoma and Texas -- accounted for about 87 percent of the wheat under support.

THE OUTLOOK FOR WHEAT IN 1962-63

BACKGROUND - During the 7-year period, 1945-46 through 1951-52, the United States was the leading exporter of wheat, with an annual average of 417 million bushels, 46 percent of the total world trade in wheat. In the previous 10-year period, 1935-36 through 1944-45, exports averaged 54 million bushels, ranging from 4 million in 1935-36, following the drought years, to 144 million in 1944-45, at the close of World War II.

United States exports of wheat and flour in 1952-53 declined to 318 million bushels, a third below the heavy exports in 1951-52. The 1952 crop in Canada was a record, and her exports in 1952-53 exceeded those from the U.S., as they did in most years before 1945-46. Total world trade in wheat and flour in 1952-53 also declined to about 987 million bushels from an all-time high of 1,066 million in 1951-52. This reflected a record 1952 world wheat crop and larger wheat reserves in importing countries, as well as the effect of truce negotiations in Korea and some easing in international tensions.

The decline in world wheat trade continued through 1953-54, falling to 879 million bushels in that period. The U.S. share also dropped as larger quantities were available in other exporting countries while requirements in major importing countries were less than in 1952-53.

In 1954-55, world wheat trade increased 10 percent to 971 million bushels, and U.S. exports rose 26 percent, from 217 million to 274 million bushels. In 1955-56, world trade reached about 1,065 million bushels, about the same as the 1,066 million in 1951-52. This increase reflected higher economic activity and greater purchasing power in importing countries. In 1956-57, world trade reached about 1,328 million bushels, 25 percent higher than both a year earlier and the former record in 1951-52. The increase reflected decreased domestic supplies in Europe because of winter damage, increased exports from the U.S. under special export programs and increased wheat consumption in some countries. In 1957-58, with improved over-all supplies in several importing countries, world trade declined 10 percent. However, in 1958-59, it increased to 1,321 million bushels, only 1 percent below the 1956-57 record. In 1959-60, trade

increased slightly from the previous year to 1,327 million bushels, and then in 1960-61 rose to a new all-time record of 1,500 million bushels.

58
5.5
49.5

United States domestic disappearance has also declined from previous record levels. During World War II, large quantities of wheat were used for the making of industrial alcohol and to supplement regular feed supplies. Disappearance in continental U.S. during the war years, therefore, reached a high of nearly 1.2 billion bushels in 1943. In peacetime, negligible quantities of wheat are used for alcohol and distilled spirits; feed use currently is less than 40 million bushels. Food requirements are slightly less than 500 million bushels, and seed, 64 million, but seed will be reduced this year because of the smaller anticipated acreage for 1962. These figures result in a continental domestic disappearance of about 600 million bushels.

Seventy-Nine Percent Favorable Vote in Wheat Referendum

Preliminary returns from a referendum held August 24 in the 39-State commercial wheat producing area show that 79.4 percent of the farmers voting favored marketing quotas on 1962-crop wheat.

The preliminary returns show a total vote of 265,886. Of this, 211,199 favored marketing quotas and 54,687 were opposed. Last year, 87.4 percent of the farmers voting in the referendum favored marketing quotas for the 1961 crop. Total number of votes cast in the August 24 referendum was heavier than a year ago when 178,718 farmers voted on marketing quotas for 1961-crop wheat.

The vote in the 1962 referendum marks the eleventh time farmers have voted for marketing quotas on wheat and continued their record of approval. Grower approval of marketing quotas for crops in the past were as follows: 1941, 81.0 percent; 1942, 82.4 percent; 1954, 87.2 percent; 1955, 73.3 percent; 1956, 77.3 percent; 1957, 87.4 percent; 1958, 86.2 percent; 1959, 84.1 percent; 1960, 80.8 percent and 1961, 87.4 percent.

1962-Crop Wheat Will be Reduced By Participation in New Program

It is not possible to forecast what the participation in the new program will be and how it will affect production. An analysis made in the Department indicates a production in 1962, assuming about average growing conditions, of between 1,025 million and 1,125 million bushels. A crop assumed at the mid-point of this range of 1,075 million bushels would be about 130 million bushels below the August 1 estimate of the 1961 crop. Such a crop added to expected carryover July 1, 1962 of about 1,350 million bushels and imports assumed at about the same as the 8 million expected this year, would total about a 2,433-million-bushel supply for 1962-63.

Exports for 1962-63 are currently projected at 625 million bushels which will be less than that of 1960-61 and the estimate for 1961-62 because large esports in these years result from poor crops in some importing and exporting countries. Domestic disappearance may total about 585 million bushels, only slightly below the 594 million bushels estimated for 1961-62. On the basis of these figures, a carryover July 1, 1963 of about 1,225 million bushels would be indicated. This would be a reduction of about 125 million bushels following the likely reduction at the end of 1961-62 of about 60 million bushels, the first since 1958.

It would be expected that the July 1, 1963 carryover would be down for all classes of wheat except durum, for which special provision is made under the Stabilization Act for acreage increases for the 1962 crop.

On the basis of present projections of adjusted production and disappearance, the greatest reduction in bushel carryover would come in hard red winter wheat. Stocks of hard red winter are burdensome. On the other hand, stocks of soft red winter are small. As a result of the cut in production of soft red winter wheat in 1962, it is reasonable to expect that the July 1, 1963 carryover of this class of wheat would be reduced still further. But, if exports were limited mostly to dollar sales both in 1961-62 and 1962-63, stocks could still provide a carryover about equal to the levels of 1960 and 1961.

A moderate reduction in the hard red spring wheat carryover may be expected at the end of the 1962-63 marketing year. The carryover of this class of wheat has increased every year except 2 since 1947. The carryover of white wheat may show little change by the end of the 1962-63 marketing year.

The New Wheat Stabilization Program

The new Wheat Stabilization Program, one of the major provisions of the Agricultural Act of 1961, became effective as the result of the 79.4 percent affirmative vote in the August 24th referendum. The objectives of the program are: (1) To increase farm income, (2) to halt excessive build-up of supplies, and (3) to reduce Government storage costs. Program objectives would be achieved by a combination of higher price support levels and reduced production.

The sign-up will begin, as now planned, in the winter wheat producing areas in mid-September and will run for about 6 weeks.

Farmers who sign up and comply with the provisions of the program will be eligible for price support. On August 9, the Secretary of Agriculture set the minimum national average support price for 1962-crop wheat in the commercial

wheat-producing area, which is comprised of 39 States 2/, at $2.00 per bushel 3/. This price reflects 84.4 percent of the August 1961 wheat parity price of $2.37 per bushel. It compares with the 1961-crop support price of $1.79 per bushel, which was set at 75 percent of parity.

The new program requires a mandatory 10 percent cut in 1962 farm acreage allotments as determined on the basis of the minimum national acreage allotment of 55 million acres. This reduces farm allotments for the 1962 crop by a minimum of 5½ million acres. The program affords an opportunity to wheat producers in the commercial wheat producing States to earn payments for reducing their 1962 wheat acreage.

To be eligible for payment and price support, producers on farms that produced more than 15 acres of wheat must divert to a conservation use the mandatory 10 percent reduction in allotment.

Producers on farms that produced 15 acres or less of wheat may divert an acreage on the farm equal to either (1) 10 percent of the highest actual acreage of wheat planted for harvest in any of the years 1959, 1960 and 1961, if such acreage in each of such years did not exceed 15 acres or (2) 11.11 percent of the 1962 wheat acreage allotment established for the farm.

The diverted acreage on both the farms with more than 15 acres or farms with 15 acres or less of wheat must be devoted to approved conservation uses, including summer fallow. And, the total acreage devoted to soil conservation uses--excluding the acreage diverted under this program and under the 1962 program for feed grains--must not be less than the average acreage of land devoted to conservation uses on the farm in 1959 and 1960. The diverted acreage may be used for castor beans, guar, safflower, sunflower or sesame, but no payment will be made for acreage which is put to such use.

Price support and conservation payments will be made available only to cooperators in the designated commercial wheat-producing States who devote the acreage diverted from wheat production to an approved conservation use. The conservation payment will be equal to 45 percent of the 1961 basic county support rate for No. 1 wheat increased to reflect the 21-cent increase in the 1962 rate, multiplied by the adjusted yield per acre for the farm, multiplied by the number of diverted acres. The payment for the original 10 percent diversion will be in cash, or in wheat at the option of the producer if the wheat is available. The value of the payment would be determined in dollars. If CCC-owned wheat is not available, the payment will be made in cash.

2/ For 1962, the designated commercial wheat States include all but the following States (those with allotments of 25,000 acres or less): Alaska, Connecticut, Florida, Hawaii, Louisiana, Maine, Massachusetts, Nevada, New Hampshire, Rhode Island and Vermont.

3/ The Act provides for price support at a level ranging from 75 to 90 percent of parity, with the minimum level of support depending upon the relationship of the supply of wheat to the normal supply. The wheat price support program will be carried out as in the past through loans on farm-stored and warehouse-stored wheat and through purchase agreements. Loans will be available from harvest time through January 31, 1963, and will mature in most States on March 31, 1963. Price support will not be made available in 1962 to producers in the designated noncommercial producing States.

If payment is made in wheat, the crop can be marketed without penalty, but will not be eligible for price support.

Producers can earn further payments by reducing their wheat acreage up to an additional 30 percent of the farm wheat allotment or, for small farms (farms with allotments of 13.5 acres or less), such acreage as will bring the total acreage diverted to 10 acres but not in excess of the highest wheat acreage planted on the farm in 1959, 1960 or 1961.

The payment for this voluntary diversion would be based on 60 percent of the adjusted yield per acre. The formula would be 60 percent of the 1961 basic county support rate increased to reflect the 21-cent increase in the 1962 rate, multiplied by the adjusted yield per acre for the farm, multiplied by the number of diverted acres. As in the case of the first 10 percent reduction, payment for the voluntary diversion will be made in cash or in wheat.

Up to one-half of the payment, wheat producers earn under the special 1962 wheat stabilization program, will be made at sign-up time. This would be an advance payment similar to the one available to producers under the 1961 feed grain program.

The new legislation also makes a number of changes in the marketing quota penalty for exceeding the allotment (or exceeding the permitted acres on small farms). On farms on which there is excess wheat acreage, the amount of wheat subject to a marketing quota penalty would be two times the normal yield of the excess acres; or if the producer can prove to the county ASC committee that his actual yield is less than twice the normal yield, the committee has authority to reduce the amount of excess wheat to the actual yield.

For 1962, the exemption from marketing quotas for those who planted not more than 15 acres 4/ during any one of the 3 years 1959, 1960 or 1961 will be decreased to 13.5 acres. For those who have planted less than 13.5 acres during any one of these years, the exemption will be the highest planted acreage during any one of such years. Producers who have not grown wheat during 1959, 1960 or 1961 will not be exempt from marketing penalties if they plant wheat in the 1962 crop year without an allotment.

The new program increases the penalty rate per bushel on farm marketing excess to 65 percent of May 1, 1962 parity price (instead of the former 45 percent).

4/ The 200-bushel exemption is premanently repealed. At the time it was placed in the wheat legislative programs several years ago, there was no 15-acre exemption. Later when the 15-acre exemption was made part of the law, it was about equal to the 200-bushel exemption. Therefore, the 200-bushel exemption is really an unnecessary duplication. If allowed to remain in the law, it would permit evasion of the new exemption provisions in the 1962 wheat program.

Under previous law, wheat stored to avoid or postpone payment of a marketing quota penalty could be released from storage in later years on account of underplanting or underproduction. In order to prevent the double benefit of release from storage and payment for program diversion with the same acreage, diverted acreage in 1962 may not form the basis for release from storage of excess wheat from previous crops. In determining production for release from storage for underproduction, the normal yields of the diverted acres will be counted as actual production.

Acreage diverted from production of wheat and put to conservation use under the program must be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program, except this provision does preclude cost-sharing payments under the ACP or the Great Plains conservation program for conservation practices carried out on the diverted acres.

Durum wheat-- The Secretary has been given authority to increase the durum wheat acreage allotments for any of the 1962, 1963 and 1964 crops, if he finds that the wheat acreage allotments of farms producing durum wheat are inadequate to provide sufficient production of durum to satisfy demand. Any allotment increases would be in addition to the national, State and county allotments, and such increases would not be considered in establishing future State, county and farm allotments. Any such increase would be by a uniform percentage. Farms for which increases may be made must have produced durum during the last two years and must be located in counties in North Dakota, Minnesota, Montana, South Dakota and California, designated by the Secretary as counties capable of producing durum and have produced such wheat for commercial food products during one or more of the preceding 5 years. Any farm on which the allotment is increased for durum wheat may not participate in the 1962 wheat diversion program. Participation in such program would be waived as a condition for eligibility for price support for these farms. Growers and millers of durum wheat will be given the opportunity to present their views and recommendations prior to the Secretary making these determinations.

Support Program for 1962-Crop Wheat To Include New Quality Premiums

U. S. D. A. announced on August 23 that premiums for quality in hard bread wheats, as indicated by the sedimentation tests, will be included in the 1962-crop wheat price support operations. The purpose is to reflect the quality value of wheat in producer support prices, thus encouraging production of higher quality wheat.

The new premiums for quality will supplant the present protein premiums now included in the wheat price support rate schedule. While protein tests show the protein content in a specific lot of wheat, the sedimentation test reveals the quality of the gluten which is more meaningful in identifying the wheats which are capable of producing the more desirable flour for commercial bread-baking.

A new premium schedule for the 1962-crop wheat support operation will be announced. Premiums will be higher for the better wheats than premiums paid for protein under the current price-support program. Discounts on undesirable varities which have been included in the support program for several years will be continued in the 1962 operation.

Many buyers of wheat now seek out and obtain the stronger wheats. However, under present marketing operations, there is little price incentive for producers to upgrade the general level of U.S. wheat production. In many areas, the gluten strength of wheat is high by reason of the varieties grown and because of favorable climatic conditions. In some areas, other factors, such as the need for disease-resistant or drought-resistant varieties have led in some instances to the increased planting of lower quality wheats.

The system of premiums on the stronger wheats is intended to strengthen the price-support program. Under the present system, there is a tendency for the CCC to acquire the weaker wheats at prices higher than their actual value relative to the general price level.

Announcement of the decision at this time to pay premiums to encourage production of higher quality wheat is intended to help wheat growers who plant hard winter wheat this fall make appropriate plans for next year's production. Producers can obtain information on the wheat varieties that produce the higher quality wheats from State Extension Services, State Experiment Stations, and crop improvement groups.

While domestic needs for higher quality wheats are paramount, the U. S. competitive position in dollar export markets has been weakened by difficulty in obtaining the stronger wheat to fill export demand, particularly for hard red winter wheat. The action taken is designed to bring a balance in the quality of U. S. hard wheat production to meet both domestic and export needs.

The sedimentation test is now available in some areas and the facilities will be expanded in the coming months to meet the testing requirements for the 1962 price-support operation. The test which indicates sedimentation value as an objective measure of wheat quality has been developed through several years of research and experimentation. The test result reflects both the protein content of the wheat and the quality of its gluten and is an index of bread baking "strength". Wheats with a sedimentation value of 40 or more are preferred for commerical bread making purposes.

The change in the basis for establishing wheat quality premiums will necessitate some modification in the Uniform Grain Storage Agreement, which provides the basis for storage and delivery of CCC-owned grains by commercial warehouses.

Table 8 .- Wheat and flour: United States exports, by country of destination, July-June, 1959-60 and 1960-61

Country of destination	July-June 1959-60			July-June 1960-61		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Western Hemisphere:						
Canada	2,100	124	2,224	9,336	94	9,430
Central America	2,281	3,710	5,991	3,206	2,709	5,915
Federation of West Indies	63	2,089	2,152	356	2,403	2,759
Cuba	6,152	3,034	9,186	547	1,197	1,744
Haiti	1,362	89	1,451	798	87	885
Bolivia	—	1,994	1,994	—	2,892	2,892
Brazil	34,409	50	34,459	39,141	166	39,307
British Guiana	2	1,070	1,072	2	980	982
Chile	—	1,199	1,199	1,200	1,131	2,331
Colombia	1,840	836	2,676	4,124	724	4,848
Peru	4,640	329	4,969	4,344	493	4,837
Uruguay	8,076	26	8,102	—	28	28
Venezuela	8,721	353	9,074	8,476	117	8,593
Others	774	1,663	2,437	1,082	1,783	2,865
Total	70,420	16,566	86,986	72,612	14,804	87,416
Europe:						
Austria	1,286	127	1,413	—	110	110
Belgium-Luxembourg	3,286	18	3,404	4,509	4	4,513
France	—	4	4	1,606	4	1,610
Germany, West	10,579	551	11,130	6,612	315	6,927
Greece	128	1,993	2,021	3,107	1,967	5,074
Italy	546	6,703	7,249	45,411	4,839	50,250
Malta, Gozo, and Cyprus	766	15	781	1,464	24	1,488
Netherlands	8,464	4,263	12,727	9,188	3,552	12,740
Norway	2,173	482	2,655	1,315	409	1,724
Poland	25,987	724	26,711	40,356	810	41,166
Portugal	89	711	800	4,228	842	5,070
Spain	—	786	786	30,897	469	31,366
Switzerland	894	1	895	4,067	5	4,072
United Kingdom	20,653	895	21,548	16,135	2,069	18,204
Yugoslavia	9,379	3,307	12,686	12,123	1,917	14,040
Others	959	447	1,406	956	1,591	2,547
Total	85,189	21,027	106,216	181,974	18,927	200,901
Asia:						
Afghanistan	184	—	184	1,696	37	1,733
Ceylon	—	2,778	2,778	—	3,274	3,274
India	115,045	132	115,177	123,751	389	124,140
Indonesia	10	4,302	4,312	—	783	783
Iran	—	145	145	7,109	263	7,372
Israel	7,934	182	8,116	7,372	381	7,753
Japan	30,276	3,282	33,558	29,941	2,642	32,583
Jordan	1,990	783	2,773	3,187	3,099	6,286
Korea	12,166	1,821	13,987	12,332	970	13,302
Lebanon	884	2,671	3,555	741	895	1,636
Pakistan	33,920	305	34,225	38,074	860	38,934
Philippines	2,164	4,067	6,231	7,392	1,550	8,942
Saudi Arabia	46	2,917	2,963	49	3,139	3,188
Syria	2,574	3	2,577	7,022	7,088	14,110
Taiwan (Formosa)	9,690	559	10,249	9,596	1,594	11,190
Turkey	13,664	48	13,712	17,054	109	17,163
Vietnam, Laos, and Cambodia	2/	2,379	2,379	575	3,938	4,513
Others	721	2,184	2,905	1,767	3,051	4,818
Total	231,268	28,558	259,826	267,658	34,062	301,720
Africa:						
Algeria	4	170	174	3,449	373	3,822
Canary Islands	2,532	3	2,535	1,714	5	1,719
Congo Republic 3/	—	1,024	1,024	690	781	1,471
Egypt	20,001	18,060	38,061	17,381	25,700	43,081
Ghana	—	1,028	1,028	—	835	835
Libya	1,217	278	1,495	825	316	1,141
Morocco	1,808	609	2,417	6,933	955	7,888
Mozambique	496	1	497	1,058	—	1,058
Nigeria	—	2,518	2,518	—	1,911	1,911
Tunisia	3,180	37	3,217	6,508	68	6,576
Republic of South Africa	1,097	2/	1,097	—	9	9
Others	764	735	1,499	35	825	860
Total	31,099	24,463	55,562	38,593	31,778	70,371
Oceania	—	52	52	—	43	43
World total 4/	417,976	90,666	508,642	560,837	99,614	660,451

1/ Wholly of U.S. wheat (grain equivalent). 2/ Less than 500 bushels. 3/ Formerly Belgian Congo. 4/ Includes shipments for relief or charity.

Compiled from records of the U.S. Department of Commerce.

THE WORLD WHEAT SITUATION

BACKGROUND - Total supplies of wheat on January 1, 1944, in the four principal exporting countries--United States, Canada, Australia, and Argentina--were 2,206 million bushels, a record at that time. Wartime depletion of food supplies in importing countries and poor crops in many areas caused greatly increased disappearance from the exporting countries in 1945-47; supplies in January 1947 were down to 1,352 million bushels. They increased to 1,872 million bushels by January 1951, declined to 1,669 million a year later, and then rose 36 percent to a record 2,274 million bushels in January 1953 as a result of large crops in each of the four countries in 1952.

In the next 4 years, supplies rose 30 percent to a record 2,966 million bushels on January 1, 1957. On January 1, 1958, they declined 9 percent to 2,700 million bushels, reflecting smaller 1957 harvests in each of the countries. On January 1, 1959 supplies again increased, rising 17 percent to a new record of 3,160 million bushels, resulting largely from the increase in United States supplies. And on January 1, 1960, they were up slightly to 3,201 million bushels, reflecting increases in the United States and Australia more than offsetting decreases in Canada and Argentina. With increases in the United States, Canada, and Australia, stocks on January 1, 1961 at 3,451 million were up another 8 percent. Stocks in the four countries in 13 years increased to 2½ times the 1,352 million bushels in 1947.

Another Large World Wheat Crop in Prospect 5/

The present outlook is for a large 1961 world wheat production, though not up to the near-record 1960 total.

Though it is too early in the season for firm estimates in many countries, preliminary information indicates that substantial reductions from the 1960 level in North America, Europe, and Africa are partly offset by better prospects in the Soviet Union, Asia, and South America.

Present indications are that North America's 1961 wheat crop may be about 1,550 million bushels compared with 1,890 million last year. This would be the smallest outturn since 1957. As already pointed out, the U. S. crop is currently estimated at 1,204 million bushels, 11 percent below the 1960 harvest. The outlook for Canada's crop is very poor. Prolonged hot, dry weather has cut yield prospects sharply and in some districts much wheat acreage has been utilized for grazing, since pastures have burned up. In contrast, Mexico has harvested an all-time record crop.

Overall production in Western Europe will be smaller than in 1960 but still well above average. Reductions in France, Spain, and the United Kingdom

5/ From World Summaries--Foreign Crops and Markets, August 31, 1961.

Table 9 .--Wheat, including flour (grain equivalent): Total exports and Government exports by programs, United States, 1949-60

Item	Year beginning July											
	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Total exports:	298,470	365,573	474,715	317,190	216,512	273,634	345,564	548,558	401,762	442,101	508,642	660,451
Under Government programs:												
Quantity	256,790	172,968	159,341	29,605	100,544	158,025	240,700	375,000	245,430	302,116	374,552	467,749
Percentage of total	86.0	47.3	33.6	9.3	46.4	57.7	69.7	68.4	61.1	68.3	73.6	70.8
For dollars:												
Quantity	41,680	192,605	315,374	287,585	115,968	115,609	104,864	173,558	156,332	139,985	134,090	192,702
Percentage of total	14.0	52.7	66.4	90.7	53.6	42.3	30.3	31.6	38.9	31.7	26.4	29.2
Government exports by programs:												
P.L. 480 2/												
Title I	---	---	---	---	---	23,802	94,300	200,500	178,035	230,820	300,648	344,722
Title II	---	---	---	---	---	15,991	11,900	12,200	14,290	10,861	10,722	29,641
Title III												
Barter 3/	---	2,619	16,924	3,938	9,964	46,458	66,700	86,900	9,501	20,154	25,662	30,475
Donations 4/	---	---	---	---	---	---	2,788	11,735	17,993	20,219	24,256	28,592
Marshall Plan 5/	137,945	138,856	137,163	22,965	89,063	70,811	65,000	63,600	25,611	20,062	13,264	34,319
Army Civilian Supply 6/	118,845	31,493	5,254	2,702	1,517	963	---	---	---	---	---	---
Total	256,790	172,968	159,341	29,605	100,544	158,025	240,700	375,000	245,430	302,116	374,552	467,749

1/ Preliminary.
2/ Public Law 480, 83rd Congress, as amended.
3/ Includes all exports of wheat and flour under the following authorities: P.L. 806, 80th Congress, CCC Charter Act: P.L. 85, 81st Congress, CCC Charter Act, amended; P.L. 439, 81st Congress, Agricultural Act of 1949; P.L. 480, 83rd Congress, Agricultural Adjustment Act of 1954; P.L. 690, 83rd Congress, Agricultural Act of 1954 and P.L. 540, 84th Congress, Agricultural Act of 1956.
4/ Shipments by U. S. charity and relief agencies as authorized under Title III of P. L. 480, Section 416.
5/ P. L. 472 (4/3/48), Foreign Assistance Act of 1948. Original Act establishing Economic Cooperation Administration (now known as International Cooperation Administration, P. L. 665, Section 402). Includes, in part, exports under Greek-Turkish Aid, China Aid, Yugoslav, India and Pakistan Relief programs. In most years data represent procurement authorizations, and are not strictly comparable in time to actual exports of wheat and wheat flour.
6/ Shipments for civilian feeding in occupied areas.

Grain and Feed Division, Foreign Agricultural Service.

account for a good part of the decrease. Declines are also reported in other countries but those declines are offset by a substantial increase in Italy's crop this year. Preliminary information indicates that the total for Western Europe may be about 5 percent less than in 1960. The outlook in Eastern Europe is for a smaller production than last year's bumper crop but still well above average.

Prospects for the Soviet Union's 1961 wheat crop appear better than for the past 2 years but not up to the record 1958 harvest. A substantial increase over the 1960 acreage is an important factor. Conditions have been very favorable in the winter wheat zone, especially in the Ukraine, the North Caucasus, and the Volga regions. Yield prospects for wheat in the "New Lands" regions are less favorable because of hot, dry weather.

Available information for Asia suggest that production for the continent may approximate the good 1960 outturn. Better outturns in some countries are offset by poor harvests in others. India reports a record crop, in contrast with China's unfavorable prospects.

Africa's total output is expected to be somewhat smaller than last year because of poor crops in former French North African countries.

The growing season, now beginning in the Southern Hemisphere, will determine final outturns. South America's production will be larger than in 1960 if growing conditions are favorable. Acreage is larger, especially in Argentina, the largest producer of the area. The current outlook is generally good in Australia. Acreage is expected to be larger and yield prospects are good in most areas, despite dryness in some parts.

World Wheat Trade Prospects Favorable in 1961-62 6/

World wheat trade in 1961-62 is presently expected to reach at least the same level as in 1960-61, which, on the basis of latest tabulations, amounted to 1,500 million bushels, about 173 million bushels or 12 percent higher than the 1,327 million bushels exported in 1959-60.

Substantial exports of wheat to Asia for foreign currency are expected in 1961-62, primarily to India, Pakistan, and Turkey. Widespread drought and other factors in Mainland China made it necessary for China to import substantial quantities of wheat in 1960-61. These imports came from Canada and Australia and were an important factor in the increase in Canada's and Australia's exports. Similar conditions are forecast for 1961-62 and it is expected that Canada and Australia will again export substantial quantities of wheat to Mainland China.

With wheat production in North Africa expected to be smaller than last year, import requirements of North African countries will be increased. Crops in Southern Africa have only recently been planted.

6/ Prepared in the Grain Division, Foreign Agricultural Service.

Table 10.- Wheat: Supplies available for export and carryover in the United States, Canada, Argentina and Australia, July 1, 1949-61

Item	United States	Canada	Argentina	Australia	Total
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Total season supplies 1/					
1948-49	1,492	459	261	217	2,429
1949-50	1,408	468	244	237	2,357
1950-51	1,456	579	228	228	2,491
1951-52	1,420	743	97	179	2,439
1952-53	1,584	919	285	212	3,000
1953-54	1,784	1,018	300	236	3,338
1954-55	1,922	951	343	264	3,480
1955-56	1,983	1,056	281	291	3,611
1956-57	2,047	1,153	317	222	3,739
1957-58	1,875	1,110	283	141	3,409
1958-59	2,346	1,011	315	233	3,905
1959-60	2,424	963	280	266	3,933
1960-61 2/	2,672	1,027	220	337	4,256
Domestic disappearance for 12 months					
1948-49	681	125	138	78	1,022
1949-50	684	131	128	72	1,015
1950-51	690	149	113	80	1,032
1951-52	689	170	88	81	1,028
1952-53	661	150	131	72	1,014
1953-54	634	144	128	77	983
1954-55	611	162	122	68	963
1955-56	603	167	129	77	976
1956-57	588	161	148	80	977
1957-58	591	159	138	69	958
1958-59	608	168	151	68	957
1959-60	600	148	140	77	965
1960-61 2/	604	150	145	77	976
Exports beginning of season to June 30 3/					
1948-49	504	208	46	70	828
1949-50	299	208	65	66	638
1950-51	366	209	68	74	717
1951-52	475	313	4	47	839
1952-53	318	341	29	64	752
1953-54	217	234	58	35	544
1954-55	275	232	78	62	647
1955-56	346	281	60	65	752
1956-57	550	239	61	63	913
1957-58	403	295	39	25	762
1958-59	443	275	67	49	834
1959-60	510	260	48	75	893
1960-61 2/	661	328	30	139	1,158
Balance on July 1 for export and carryover					
1949	307	126	77	69	579
1950	425	129	51	99	704
1951	400	221	47	74	742
1952	256	260	5	51	572
1953	605	428	125	76	1,234
1954	933	640	114	124	1,811
1955	1,036	557	143	134	1,870
1956	1,034	608	92	149	1,883
1957	909	753	108	79	1,849
1958	881	656	106	47	1,690
1959	1,295	568	97	116	2,076
1960	1,314	555	92	114	2,075
1961 2/	1,407	549	45	121	2,122

1/ Carryover stocks and production, except for U.S. which includes imports. 2/ Preliminary. 3/ Season begins July 1 for United States, August 1 for Canada and December 1 for Argentina and Australia. United States exports include flour and other products in wheat equivalent.

Wheat production in countries of Western Europe, with the exception of Italy are somewhat below 1960, import requirements for these Western European countries will probably continue about at the high level of 1960-61. Spain and Italy, listed as exporters of wheat under the International Wheat Agreement will again be net importers. Italy's import requirements will be somewhat less than that in 1960, but Spain will very likely import more wheat in 1961-62 than in 1960-61 because reduced acreage and adverse growing conditions curtailed production. France will have less surplus than in recent years, but will still export a substantial quantity.

If growing conditions are favorable for South America's production, exports from that area will be larger than in 1960. Exports to Brazil are expected to exceed last year's high level.

Exports from the U.S.S.R. may be a little higher than last year if present prospects for a good 1961 wheat crop are realized.

Increase Small in July 1 Supplies
In Principal Exporting Countries

Supplies of wheat availble for export and carryover in the 4 principal exporting countries--United States, Canada, Argentina and Australia--on July 1 totaled 2,122 million bushels. They are only 47 million and 46 million bushels, respectively, above last year and 2 years ago (table 10). However, compared with the low level of 1952, 10 years ago, supplies were almost 3-3/4 times as large.

An increase in supplies of 93 million bushels in the United States and 7 million in Australia more than offset declines of 6 million in Canada and 47 million in Argentina. About two-thirds of the available supplies on July 1 in the four countries were in the United States.

THE RYE SITUATION

SUMMARY

The supply of rye in 1961-62 is estimated at 43 million bushels,6 percent below a year earlier but slightly above the 1955-59 average. Domestic disappearance is estimated at 25.0 million bushels compared with 23.9 million for 1960-61 and the average of 24.7 million. Exports may total only about 3 million bushels. A total disappearance of 28 million bushels would be the smallest since 1953-54 and result in a carryover as of July 1, 1962 of about 15 million bushels. A carryover of this size would be larger than the average in 1952-61 of 11.2 million bushels but below the average of 21.3 million for the 10 years ended in 1945.

In mid-July the prices received by farmers averaged 99 cent per bushel, 8 cents higher than a year earlier, reflecting the increase in the 1961 national support rate. The support rate for 1961 is $1.02 per bushel compared with 90 cents for the 1960 crop.

Table 11.- Rye: Supply and disappearance, United States, 1934-61

Year beginning July	Supply				Disappearance						
					Domestic						
	Carryover 1/	Production	Imports	Total	Food 2/	Feed 3/	Seed	Alcohol, spirits	Total	Exports 4/	Total
	Mil. bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil. bu.	Mil. bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.
1934	14.9	16.3	11.2	42.4	8.0	4.8	8.6	10.2	31.6	5/	31.6
1935	10.8	56.9	2.3	70.0	6.9	21.8	8.7	12.9	50.3	5/	50.3
1936	19.7	24.2	4.0	47.9	7.0	13.9	10.0	11.6	42.5	0.2	42.7
1937	5.2	48.9	5/	54.1	5.9	17.9	9.1	6.1	39.0	6.6	45.6
1938	8.5	56.0	5/	64.5	6.8	19.8	9.7	5.5	41.8	.8	42.6
1939	21.9	38.6	5/	60.5	7.0	20.2	7.4	5.6	40.2	.7	40.9
1940	19.6	39.7	1.4	60.7	7.1	19.9	8.1	6.7	41.8	.2	42.0
1941	18.7	43.9	8.8	71.4	7.8	19.3	8.3	6.9	42.3	5/	42.3
1942	29.1	52.9	1.5	83.5	8.3	27.2	6.8	2.1	44.4	.5	44.9
1943	47.1	28.7	8.3	84.1	8.7	33.5	5.8	4.5	52.5	.6	53.1
1944	31.0	22.5	4.1	57.6	7.8	17.4	5.4	11.7	42.3	3.1	45.4
1945	12.2	23.7	2.0	37.9	6.7	8.8	4.5	8.3	28.3	7.2	35.5
1946	2.4	18.5	1.6	22.5	4.5	6.0	4.9	4.2	19.6	.6	20.2
1947	2.3	25.5	5/	27.8	4.6	5.6	5.0	6.6	21.8	2.7	24.5
1948	3.3	25.9	6.8	36.0	4.7	6.5	4.4	6.7	22.3	5.4	27.7
1949	8.3	18.1	9.0	35.4	4.7	5.7	4.8	4.9	20.1	5.8	25.9
1950	9.5	21.4	3.1	34.0	5.2	5.4	4.8	7.7	23.1	5.9	29.0
1951	5.0	21.5	1.3	27.8	5.4	5.6	4.1	4.2	19.3	4.6	23.9
1952	3.9	16.2	5.6	25.7	5.2	6.3	4.7	2.9	19.1	.3	19.4
1953	6.3	18.9	13.4	38.6	5.0	7.8	5.7	5.1	23.6	5/	23.6
1954	15.0	26.0	3.4	44.4	5.1	8.2	7.0	4.7	25.0	3.0	28.0
1955	16.4	29.1	3.4	48.9	5.1	9.3	6.2	4.6	25.2	7.0	32.2
1956	16.7	21.3	3.4	41.4	4.8	8.7	6.0	4.6	24.1	10.7	34.8
1957	6.6	28.5	3.3	38.4	4.7	10.2	6.0	4.2	25.1	3.5	28.6
1958	9.8	33.2	3.3	46.3	4.5	9.8	5.5	5.3	25.1	8.5	33.6
1959	12.7	23.1	4.2	40.0	4.6	8.4	5.7	5.5	24.2	5.3	29.5
1960 6/	10.5	32.5	2.7	45.7	4.5	8.6	5.8	5.0	23.9	7.7	31.6
1961 7/	14.1	25.9	3.0	43.0	5.0	8.5	6.0	5.5	25.0	3.0	28.0

1/ Farm and terminal stocks, 1934-42; beginning 1943, interior mill, elevator and warehouse stocks; and beginning 1953, stocks owned by CCC and stored in bins or other storages owned or controlled by CCC. The figure for July 1, 1953, 38.6 million bushels, excluding interior mill, elevator and warehouse stocks, was used in computing 1942-43 disappearance. 2/ Calculated from trade sources, 1934-44; from Bureau of the Census, 1945 to date. 3/ Residual item. 4/ Includes flour. 5/ Less than 50,000 bushels. 6/ Preliminary. 7/ Partly estimated.

Rye Supply Up in 1960-61; Domestic Disappearance Above Average

The supply of rye in 1960-61 totaled 45.7 million bushels, consisting of the large 1960 crop of 32.5 million, the July 1, 1960 carryover of 10.5 million and imports of 2.7 million (table 11). The total supply in 1960-61 was 14 percent above the 40.0 million bushels a year earlier but only 4 percent above the 1954-58 average of 43.9 million.

Domestic disappearance in 1960-61 totaled 23.9 million bushels, only slightly below that of the previous year and the 5-year average. In 1960-61, as in many recent years, there was little change in the items comprising domestic disappearance--food, alcohol and distilled spirits, seed and feed. Exports in 1960-61 amounted to 7.7 million bushels, 2.4 million above the previous year and 1.2 million above the 1954-58 average of 6.5 million. Even with this increase, exports were 3 million bushels below the record 10.7 million exported in 1956-57. Because of the surge in exports, total disappearance rose to 31.6 million bushels, 2.1 million above that of 1959-60 but only slightly different from the average of 31.4 million bushels.

Above Average Rye Crop in Prospect

The 1961 rye crop was indicated, as of August 1, at 25.9 million bushels, 20 percent below last year's large crop but 8 percent above the 1950-59 average (table 14). The estimated 1.53 million acres for harvest as grain is about 8 percent below last year and the 10-year average. The indicated yield per harvested acre of 16.9 bushels is 2.8 bushels below last year's record but 2.7 bushels above the 1950-59 average.

Hot, dry weather in South Dakota, Nebraska and Kansas caused a decline in yields. However, in North Dakota, timely rains and moderate temperatures favored the crop and increased the estimate from a month earlier. Production in that State is currently set at 3.2 million bushels, still less than half as much as was produced in 1960.

Reduction in Exports May Cause Carryover Increase

Carryover stocks of old-crop rye in all positions on July 1, 1961 were 14.1 million bushels, 34 percent above the 10.5 million a year earlier and 14 percent above the 5-year average of 12.4 million bushels. The CCC owned 4.3 million bushels of rye on July 1, 1961, about 30 percent of total stocks. The large stocks at the beginning of the current marketing year will help to offset the indicated smaller 1961 crop and expected smaller imports.

The carryover of 14.1 million bushels along with the indicated production of 25.9 million and imports of about 3 million bushels make a total supply of 43 million bushels. This would be 6 percent below the 45.7 million a year earlier bu somewhat above the 1955-59 average of 42.9 million.

Table 12.- Rye: CCC-owned stocks, by positions, by States, July 1, 1961 1/

State	Bin sites	Terminals, elevators and warehouses 2/	Total
	1,000 bushels	1,000 bushels	1,000 bushels
Wisconsin	---	413	413
Minnesota	---	2,235	2,235
Missouri	---	13	13
North Dakota	6	206	212
South Dakota	52	218	270
Nebraska	10	260	270
Kansas	43	164	207
Montana	6	6	12
Wyoming	---	18	18
Colorado	7	18	25
Washington	---	27	27
Oregon	---	1	1
Sub-total	124	3,579	3,703
Areas in transit 3/			
Kansas City	---	---	68
Minneapolis	---	---	66
U. S. Total	124	3,579	3,837

1/ Including stocks sold but not delivered.
2/ Includes terminals, subterminals, country elevators, warehouses, etc.
3/ Moved from official weight points and has not been unloaded or sold.

Grain Division, Agricultural Stabilization and Conservation Service.

Table 13.- Rye: Average price per bushel at Minnapolis, and price received by farmers, United States and selected States, July 1961 with comparisons

Month	No. 2 at Minneapolis 1/	Received by farmers				
		Minnesota	North Dakota	South Dakota	Nebraska	United States
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1944-53, July average	1.70	1.57	1.50	1.50	1.40	1.51
1954, July	1.25	.96	.85	.90	.89	.99
1955. July	1.04	.86	.74	.80	.92	.90
1956, July	1.33	1.05	.94	.98	.98	1.09
1957, July	1.25	1.03	.94	.98	.93	1.06
1958, July	1.22	.93	.82	.85	.82	.96
1959, July	1.24	.93	.82	.87	.86	1.02
1960, July	1.08	.86	.76	.79	.80	.91
1961						
April	---	.86	.75	.78	.79	.82
May	1.13	.89	.79	.83	.76	.84
June	1.12	.84	.75	.79	.77	.93
July	1.22	1.00	.87	.92	.83	.99

1/ Weighted by carlot sales.

Domestic disappearance of rye in 1961-62 is estimated at 25.0 million bushels compared with 23.9 million for 1960-61 and 24.7 million, the 1955-59 average. Exports may total only about 3 million bushels as a result of the removal of the payment-in-kind subsidy. A total disappearance of 28 million bushels would be the smallest since 1953-54 and would result in a carryover on July 1, 1962 of about 15 million bushels. A carryover of this size would be larger than the average in 1952-61 of 11.2 million bushels but below the average of 21.3 million, the average for the 10 years ended in 1945.

Rye Prices Increase

Prices received by farmers for rye in mid-July averaged 99 cents per bushel, up 6 cents from mid-June and 8 cents above July 1960.

The 1961 national average support rate is $1.02 per bushel, up 12 cents from the rate that prevailed for the last two crops. In 1960-61, the season average price received by farmers was 89 cents per bushel, one cent below the support rate. The price in mid-July 1961 of 99 cents was 3 cents below the national average support level, while a year earlier the farm price was a cent above support.

The price of No. 2 rye at Minneapolis on August 17 at $1.16 per bushel was 2 cents above the Minneapolis effective support of $1.14 ($1.24 terminal support less 10 cents storage) (table 4).

Quantities of 1960 rye delivered to CCC through June 30, 1961, totaled 1.4 million bushels with an additional 1.4 million bushels resealed on farms. This compares with 0.6 million bushels delivered and 0.2 million resealed on farms through June 30, 1960.

Canadian Rye Crop Reduced by Drought

The drought, which has affected production, in the Northern Great Plains of the United States has had an even greater impact on the rye crop in Canada. Most of the Canadian crop is produced in the Prairie Provinces--Alberta, Manitoba, and Saskatchewan. Although the first official estimate of Canadian rye production will not be released until September 1, it is known that poor growing conditions in the Prairie Provinces have brought a sharp reduction in the Canadian crop.

Stocks of rye in Canada on August 1 were estimated at about 7 million bushels. Even with a small crop, the available supply should permit Canada to meet its domestic requirements and still have some rye for export. Domestic use averaged around 6 million bushels during 1950-59 while exports during this period averaged 8 million, although they vary considerably from year to year.

No Import Quota on Rye

Import controls on rye that were in effect since April 1, 1954, expired on June 30, 1961. On July 7, USDA requested the Tariff Commission to postpone indefinitely the hearings on reinstatement of the import quota on rye. Since conditions were considerably changed as a result of the drought in the United States and in Canada, our principal supplier, it was felt that a quota was no longer required.

Table 14.- Rye: Acreage, yield and production, United States, 1935-61

Year of harvest	Acreage harvested	Yield per harvested acre	Production
	1,000 acres	Bushels	1,000 bushels
1935	4,066	14.0	56,938
1936	2,694	9.0	24,239
1937	3,825	12.8	48,862
1938	4,087	13.7	55,984
1939	3,822	10.1	38,562
1940	3,204	12.4	39,725
1941	3,573	12.3	43,878
1942	3,792	14.0	52,929
1943	2,652	10.8	28,680
1944	2,132	10.6	22,525
1945	1,850	12.8	23,708
1946	1,597	11.6	18,487
1947	1,991	12.8	25,497
1948	2,058	12.6	25,886
1949	1,554	11.6	18,102
1950	1,753	12.2	21,403
1951	1,722	12.5	21,517
1952	1,393	11.6	16,146
1953	1,430	13.2	18,894
1954	1,795	14.5	25,963
1955	2,049	14.2	29,089
1956	1,624	13.1	21,288
1957	1,718	16.6	28,516
1958	1,797	18.5	33,182
1959	1,457	15.8	23,076
1960 1/	1,652	19.7	32,491
1961 2/	1,528	16.9	25,867

1/ Preliminary. 2/ August 1 estimate.

Table 15.- Rye: Stocks in the United States on July 1, 1956-61

Position	1956	1957	1958	1959	1960	1961 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Farm 2/	2,354	2,006	2,484	4,362	1,865	4,492
Terminals 3/	9,503	2,023	4,019	2,154	4/	4/
Interior mills, elevators and warehouses 2/ 5/	4,758	2,421	2,881	5,454	8,105	9,522
Commodity Credit Corporation 6/	50	149	388	681	529	124
Total	16,665	6,599	9,772	12,651	10,499	14,138

1/ Preliminary
2/ Estimates of the Crop Reporting Board.
3/ Commercial stocks reported by the Grain Division, AMS, at 44 Terminal cities.
4/ Included with "Interior mills, elevators and warehouses."
5/ All off-farm storages not otherwise designated, including flour mills.
6/ Owned by CCC and stored in bins or other storages owned or controlled by CCC; other CCC-owned rye is included in the estimates by positions.

Table 16.- Rye: National price supports with comparisons, quantities under support programs, deliveries to CCC and CCC inventories, 1939-61

Year beginning July	National average support rate per bushel (grower level)	Price per bushel: Season average received by farmers 1/: Actual	Price per bushel: Season average received by farmers 1/: Above support	Price per bushel: No. 2 at Minneapolis 2/: Season average: Actual	Price per bushel: No. 2 at Minneapolis 2/: Season average: Above support 3/	Price per bushel: No. 2 at Minneapolis 2/: July average: Actual	Price per bushel: No. 2 at Minneapolis 2/: July average: Above support 3/	Under support programs: Loans	Under support programs: Purchase agreements	Under support programs: Total: Quantity	Under support programs: Total: Percentage of production	Deliveries to CCC	Stocks owned by CCC on June 30
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	1,000 bu.	1,000 bu.	1,000 bu.	Pct.	1,000 bu.	1,000 bu.
1939	0.35	0.44	0.09	0.56	0.21	0.43	0.08	---	---	1,500	3.9	452	11
1940	.35	.40	.05	.51	.16	.44	.09	---	---	4,247	10.7	947	79
1941	.49	.52	.03	.65	.16	.55	.06	---	---	2,451	5.6	748	19
1942	.60	.58	-.02	.73	.13	.61	.01	---	---	5,244	9.9	48	4/551
1943	.75	.98	.23	1.08	.33	1.01	.26	---	---	132	.5	---	4/116
1944	.75	1.09	.34	1.22	.47	1.13	.38	---	---	59	.3	---	4
1945	.75	1.36	.61	1.72	.97	1.53	.78	---	---	19	.1	---	---
1946	5/	1.94	5/	2.55	5/	2.09	5/	---	---	5/	5/	5/	5/
1947	5/	2.28	5/	2.65	5/	2.54	5/	---	---	5/	5/	5/	5/
1948	1.29	1.43	.14	1.58	.11	1.78	.31	755	667	1,422	5.5	1,096	778
1949	1.27	1.20	-.07	1.42	-.04	1.45	-.01	853	369	1,222	6.8	888	515
1950	1.28	1.31	.03	1.62	.14	1.48	0	1,240	55	1,295	6.1	7	142
1951	1.30	1.52	.22	1.79	.29	1.79	.29	500	25	525	2.4	1	85
1952	1.42	1.72	.30	1.91	.29	1.97	.35	136	49	185	1.1	129	110
1953	1.43	1.29	-.14	1.23	-.41	1.27	-.37	4,469	1,002	5,471	29.0	5,621	2,519
1954	1.43	1.21	-.22	1.32	-.32	1.25	-.39	6,122	1,152	7,274	28.0	7,477	6,454
1955	1.18	1.06	-.12	1.10	-.29	1.04	-.35	10,742	2,009	12,751	43.9	13,180	11,361
1956	1.27	1.15	-.12	1.41	-.09	1.33	-.17	2,603	566	3,169	15.0	3,042	3,846
1957	1.18	1.07	-.11	1.30	-.10	1.25	-.15	6,599	1,066	7,665	28.1	7,580	6,091
1958	1.10	1.02	-.10	1.24	-.10	1.22	-.12	8,710	1,438	10,148	31.5	7,339	6,600
1959	.90	1.00	-.10	1.24	.11	1.24	.11	916	241	1,157	5.2	676	5,318
1960 6/	.90	.89	-.01	1.09	-.03	1.08	-.04	4,250	752	5,002	15.6	7/2,900	4,323
1961 6/	1.02					1.22	-.02						

1/ Weighted by sales. 2/ Weighted by carlot sales. 3/ Support rates at Minneapolis, 1939-47, are the same as the national average; annual beginning with 1948, in dollars, are: 1.47, 1.46, 1.48, 1.50, 1.62, 1.64, 1.39, 1.50, 1.40, 1.34, 1.13, 1.12 and 1.24 for 1961. 4/ Mostly supply program. Records do not show price support and supply separately. 5/ No program. 6/ Preliminary. 7/ Deliveries through June 30, 1961.

Table 17.- Macaroni, spaghetti and noodles: Total and per capita production and ingredients used for selected years 1/

Item	1929	1937	1939	1947	1954	1958
	Total production					
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Paste product:						
Macaroni, spaghetti, vermicelli and other macaroni products	482,862	556,870	572,024	692,891	733,219	796,208
Noodle products	70,333	101,413	112,366	125,484	141,727	142,879
Total	553,195	658,283	684,390	818,375	874,946	939,087
	Per capita production 2/					
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Paste product:						
Macaroni, spaghetti, vermicelli and other macaroni products	4.0	4.3	4.4	4.8	4.5	4.6
Noodle products	.6	.8	.9	.9	.9	.8
Total	4.6	5.1	5.3	5.7	5.4	5.4
	Ingredients used in manufacture					
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Ingredients:						
Semolina and durum flour	---	---	583,441	---	528,361	816,146
Farina and other wheat flour	---	---	99,600	---	277,492	90,700
Total	526,969	639,340	683,041	797,800	805,853	906,846

1/ Data from Census of Manufactures. Does not include canned products. Beginning with 1947, data based on shipments and interplant transfers.

2/ Based on total population on July 1.

Per Capita Consumption of Macaroni and Spaghetti Remains Unchanged

by W. R. Askew

Of the many products made from wheat, only a relatively few have been immune to a decline in per capita consumption. The most notable exceptions to this downward trend are the alimentary paste products--macaroni, spaghetti and noodles.

In the past, the relative stability in per capita consumption of these foods was often attributed to the attempt of immigrants to retain their native dietary habits. More recently the maintenance of paste products consumption has been attributed to fads for foreign foods. But, other underlying factors include: new products, changed product forms and advertising. In addition to the standard individual packages of dry macaroni, spaghetti and noodles, snacks and complete meals are available combining these products with meat, cheese or other foods. These may be dry combination packages, possibly including a canned product, or a ready cooked combination product canned or frozen.

Annual per capita disappearance 7/ of all paste products has been a little above 5 pounds for a number of years (table 17). Since World War II, the level of consumption has been slightly above that of the prewar period. Macaroni, spaghetti and macaroni products comprise about 85 percent of the per capita paste products consumption with noodles accounting for the remainder.

Prior to World War II, data were obtained for both plain and egg noodles. In 1929, plain noodles accounted for 22 percent of the total noodle production, while in 1937 and 1939 they constituted less than 10 percent of the total.

Income, Urbanization and Regional Effects on Consumption

The household food consumption surveys covering food consumed in a week in the spring of 1942 and 1955 placed per capita consumption of all paste products, including canned and frozen, at .13 pound per person a week in both years. Per capita consumption of these foods was relatively stable over the range of

7/ The Bureau of the Census data cover production by firms primarily engaged in manufacturing dry macaroni, spaghetti, vermicelli and noodles. It does not include processed products except to the extent that the dry products already covered are further processed. No data are available on stocks, but it is felt that they do not change appreciably. Imports and exports, which are usually small relative to production, include paste products in all forms and are not comparable to the production data. In recent years, imports and exports have balanced out. Thus, production usually is a close approximation of disappearance

Table 18.- Macaroni, spaghetti and noodles: Consumption per person in urban households, by region and selected income groups, in a week, spring 1955 1/

Region	Households of 2 or more persons by income groups			
	All incomes	$2,000-$3,000	$4,000-$5,000	$6,000-$8,000
	Pounds	Pounds	Pounds	Pounds
Northeast	.21	.26	.24	.17
North Central	.14	.11	.14	.14
South	.09	.12	.09	.07
West	.10	.11	.11	.07
United States	.15	.15	.16	.13

1/ Per-person average derived from household averages, using average household size, based on 21 meals at home equivalent to one person.

Source: The Household Market for Grain Products, by Robert J. Lavell, AMS-340 (11) February, 1961.

Note for table 3, page 10.

Figures by classes are not based on survey or enumeration data and are therefore only approximations. Estimated stocks on farms and in interior mills, elevators and warehouses, by kinds, are assumed to be present in about the same proportion as produced; the classes within kinds are established on the basis of the quinquennial wheat-variety surveys. Commercial stocks and CCC inventories are reported by classes. Exports by classes are estimated on the basis of "inspection for export" for wheat as grain and on the basis of the area from which exports are made for flour.

Data for 1944-56 in The Wheat Situation, August 1959, page 12; data for 1929-43 in The Wheat Situation, February 1958, page 10.

incomes in each urbanization catagory-- urban, rural nonfarm and farm-- in both surveys. The only other grain product to show similar behavior was breakfast cereals. 8/

More paste products were consumed in the Northeast by persons in every income group than in any of the other three regions surveyed in 1955 (table 18). A large number of people in that region are of foreign extraction and traditionally eat paste products. The South, by contrast, showed a very low per capita consumption of these products at every income level.

Production Methods and Ingredients Used

Paste products are made by mixing coarsely granulated flour and occasionally regular flour with water to make a stiff dough. The dough is forced through dies of various shapes and sizes. The principal ingredient in macaroni and spaghetti is semolina, a coarse grind of flour made from durum wheat. Macaroni and spaghetti may also include durum flour, the finely ground portion resulting from the manufacture of semolina or farina, a coarse granulation of any wheat other than durum. Noodles are made of farina and may or may not include eggs.

Data on ingredients used in the manufacture of paste products indicate that semolina, farina and regular wheat flour comprise almost all of the ingredients used, table 17. These ingredients ranged from a low of 92 percent of the product weight in 1954 to a high of nearly 100 percent in 1939 and averaged about 96 percent for 1929-58.

In 3 Census years-- 1939, 1954 and 1958-- more detailed data have been obtained on the kinds of flour used. These data indicate that in 1939 and 1958 semolina and durum flour comprised about 85 and 90 percent, respectively, of the wheat flour used in paste products while farina and other wheat flour accounted for the remainder. By contrast, a considerably different proportion of ingredients was used in 1954. In that year, semolina and durum flour accounted for only two-thirds of the wheat flour used while farina and other wheat flour made up the remaining one-third. This extensive substitution can be explained by the short durum crops and resulting high prices experienced in both 1953 and 1954. Production of durum wheat in 1953 totaled 13 million bushels, the smallest crop since 1936. In 1954, the smallest durum crop on record, 5 million bushels was harvested. A relatively small durum crop is in prospect for 1961 and considerable substitution of the wheats used in paste products may again take place.

8/ "Changes in Consumption of Cereal Breakfast Foods," National Food Situation No. 95, February 1961.

Table 19.- Wheat: Supply and disappearance, United States, July-December and January-June periods, 1952-61 1/

Year beginning July	Supply				Disappearance								
					Continental United States								
	Stocks 2/	Production	Imports 3/	Total	Processed for food	Seed	Industrial	Feed	Total	Military procurement 4/	Exports 5/	Shipments 6/	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1952													
July-Dec.	255,978	1,306,440	17,669	1,580,087	245,371	61,891	73	743	308,078	6,307	154,436	1,818	470,639
Jan.-June	1,109,448	---	3,933	1,113,381	228,242	27,200	102	81,737	337,281	7,313	161,216	2,027	507,837
1953													
July-Dec.	605,544	1,173,071	1,581	1,780,196	243,728	49,329	101	36,567	329,725	6,154	108,047	2,029	445,955
Jan.-June	1,334,241	---	3,956	1,338,197	228,934	20,149	77	40,070	289,230	5,880	107,657	1,924	404,691
1954													
July-Dec.	933,506	983,900	885	1,918,291	244,239	47,781	64	15,519	307,603	5,258	122,286	1,939	437,086
Jan.-June	1,481,205	---	3,312	1,484,517	228,810	17,000	166	44,555	290,531	4,624	151,133	2,051	448,339
1955													
July-Dec.	1,036,178	937,094	3,174	1,976,446	242,736	48,215	202	9/-9,473	281,680	3,926	121,987	1,903	409,496
Jan.-June	1,566,950	---	6,759	1,573,709	226,727	19,467	476	63,036	309,706	4,287	7/224,286	2,015	540,294
1956													
July-Dec.	1,033,415	1,005,397	3,043	2,041,855	241,666	42,620	291	13,773	298,350	4,657	7/248,210	1,960	553,177
Jan.-June	1,488,678	---	4,740	1,493,418	228,122	15,129	206	33,770	277,227	3,979	7/301,326	2,080	584,612
1957													
July-Dec.	908,806	955,740	5,263	1,869,809	241,642	48,100	182	9/-2,878	287,046	3,463	7/194,760	1,880	487,149
Jan.-June	1,382,660	---	5,684	1,388,344	232,923	15,096	94	44,886	292,999	4,142	7/208,158	1,998	507,297
1958													
July-Dec.	881,047	1,457,435	3,047	2,341,529	249,407	48,800	58	12,141	310,406	3,749	7/204,815	2,100	521,070
Jan.-June	1,820,459	---	4,722	1,825,181	236,364	16,322	56	33,417	286,159	3,623	7/238,479	1,830	530,091
1959 8/													
July-Dec.	1,295,090	1,121,118	2,857	2,419,065	250,373	48,258	39	34,178	332.848	3,110	7/205,941	1,335	543,234
Jan.-June	1,875,831	---	4,553	1,880,384	237,062	15,475	47	5,767	258,351	3,415	7/303,915	1,185	566,866
1960 8/													
July-Dec.	1,313,518	1,350,339	2,906	2,666,763	251,236	49,253	39	9/-4,001	296,527	3,359	7/298,239	1,205	599,330
Jan.-June	2,067,433	---	5,326	2,072,759	235,657	15,119	44	47,845	298,665	3,074	7/363,274	1,180	666,193
1961 8/													
July-Dec.	1,406,566	1,204,096											

1/ Includes flour and other wheat products in terms of wheat. 2/ Prior to 1937 some new wheat included; beginning with 1937 only old-crop wheat is shown in all stocks positions. The figure for July 1, 1937, including the new wheat, is 102.8 million bushels, which is used as year-end carryover in the 1936-37 marketing year. 3/ Imports include full-duty wheat, wheat imported for feed, and dutiable flour and other wheat products in terms of wheat. They exclude wheat imported for milling in bond and export as flour, also flour free for export. 4/ Includes procurement for both civilian relief feeding and for military food use; military takings for civilian feeding in occupied areas measured at time of procurement, not at the time of shipment overseas. 5/ Exports as here used, in addition to commercial exports of wheat, flour and other wheat products, include United States Department of Agriculture flour procurement rather than deliveries for export. For the years 1941-54, actual exports, including those for civilian feeding in occupied areas (deliveries for export) of wheat, flour and other wheat products, in million bushels, were as follows: 27.9; 27.8; 42.6; 144.4; 390.6; 397.4; 485.9; 504.0; 299.1; 306.1; 475.3; 317.8; 217.0 and 274.4. 6/ To Alaska, Hawaii and U. S. Territories; partly estimated. 7/ Includes exports for relief or charity by individuals and private agencies. 8/ Preliminary. 9/ For the period July-December 1955, known disappearance from the July 1 supply, without an allowance for quantities fed, is about 9 million bushels larger than that indicated by January 1 stocks. This discrepancy may be accounted for by possible inexactness in data, including some duplication in stocks reported in the various positions by different agencies. This discrepancy also occurred in the July-December 1957 period by 3 million bushels and the July-December 1960 period by 4 million bushels.

Table 20 .- Wheat: Supply and disappearance, United States, 1935-61 1/

Year beginning July	Supply				Disappearance								
					Continental United States								
	Carry-over 2/	Production	Imports 3/	Total	Processed for food	Seed	Industrial	Feed	Total	Military procurement 4/	Exports 5/	Shipments 6/	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1935	145,889	628,227	34,748	808,864	490,067	87,479	55	83,343	660,944	---	4,440	3,047	668,431
1936	140,433	629,880	34,616	804,929	493,327	95,896	59	100,149	689,431	---	9,584	3,072	702,087
1937	83,167	873,914	746	957,827	489,440	93,060	69	114,856	697,425	---	103,889	3,406	804,720
1938	153,107	919,913	347	1,073,367	496,189	74,225	103	141,690	712,207	---	108,082	3,063	823,352
1939	250,015	741,210	332	991,557	488,758	72,946	89	101,127	662,920	---	45,258	3,658	711,836
1940	279,721	814,646	3,562	1,097,929	489,422	74,351	100	111,772	675,645	---	33,866	3,685	713,196
1941	384,733	941,970	3,704	1,330,407	472,906	62,490	1,676	114,254	651,326	16,133	27,774	4,399	699,632
1942	630,775	969,381	1,127	1,601,283	494,971	65,487	54,437	305,771	920,666	25,245	30,960	5,515	982,386
1943	618,897	843,813	136,448	1,599,158	477,287	77,351	108,125	511,233	1,173,996	62,762	42,734	3,111	1,282,603
1944	316,555	1,060,111	42,384	1,419,050	472,675	80,463	83,132	300,095	936,365	150,147	49,106	4,252	1,139,870
1945	279,180	1,107,623	2,037	1,388,840	473,733	82,006	21,302	296,548	873,589	90,883	320,025	4,257	1,288,754
1946	100,086	1,152,118	84	1,252,288	479,361	86,823	58	177,525	743,767	92,459	328,045	4,180	1,168,451
1947	83,837	1,358,911	149	1,442,897	484,060	91,094	693	178,309	754,156	148,613	340,221	3,964	1,246,954
1948	195,943	1,294,911	1,530	1,492,384	471,483	95,015	193	105,348	672,039	181,518	327,827	3,715	1,185,099
1949	307,285	1,098,415	2,237	1,407,937	484,182	80,851	192	111,258	676,483	123,526	179,213	4,001	983,223
1950	424,714	1,019,344	11,919	1,455,977	479,550	87,904	192	108,808	676,454	41,267	334,513	3,872	1,056,106
1951	399,871	988,161	31,609	1,419,641	481,084	88,195	930	102,401	672,610	16,714	470,347	3,992	1,163,663
1952	255,978	1,306,440	21,602	1,584,020	473,613	89,091	175	82,480	645,359	13,620	315,652	3,845	978,476
1953	605,544	1,173,071	5,537	1,784,152	472,662	69,478	178	76,637	618,955	12,034	215,704	3,953	850,646
1954	933,506	983,900	4,197	1,921,603	473,049	64,781	230	60,074	598,134	9,882	273,419	3,990	885,425
1955	1,036,178	937,094	9,933	1,983,205	469,463	67,682	678	53,563	591,386	8,213	7/346,273	3,918	949,790
1956	1,033,415	1,005,397	7,783	2,046,595	469,788	57,749	497	47,543	575,577	8,636	7/549,536	4,040	1,137,789
1957	908,806	955,740	10,947	1,875,493	474,565	63,196	276	42,008	580,045	7,605	7/402,918	3,878	994,446
1958	881,047	1,457,435	7,769	2,346,251	485,771	65,122	114	45,558	596,565	7,372	7/443,294	3,930	1,051,161
1959	1,295,090	1,121,118	7,410	2,423,618	487,435	63,733	86	39,945	591,199	6,525	7/509,856	2,520	1,110,100
1960 8/	1,313,518	1,350,339	8,232	2,672,089	486,893	64,372	83	43,844	595,192	6,433	7/661,513	2,385	1,265,523
1961 8/	1,406,566	1,204,096											

See page 38 for footnotes.

Table 21.- Flour, wheat: Supply and distribution, U.S., year beginning July, 1935-60

Year beginning July	Production (commercial and noncommercial) 1/	Imports of dutiable flour, semolina, and products	Breakfast food production in the milling industry (deduct)	Total flour supply	Exports: Flour: Commercial 2/	Exports: Flour: Department of Agriculture 3/	Exports: Other products 4/	Shipments to Territories	Military 5/	Civilian consumption: Total	Civilian consumption: Per capita
	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	1,000 cwt.	Lb.
1935	211,774	65	77	211,762	6,513	---	73	1,178	---	203,998	159.7
1936	215,224	95	81	215,238	7,680	---	88	1,230	--	206,240	160.5
1937	215,685	27	83	215,629	9,781	---	88	1,340	---	204,420	158.0
1938	223,134	23	83	223,074	13,009	---	111	1,163	---	208,791	160.1
1939	220,666	61	83	220,644	12,777	---	134	1,399	---	206,334	156.9
1940	220,945	58	83	220,920	12,404	---	79	1,404	---	207,033	156.8
1941	217,777	76	83	217,770	8,013	2,002	100	1,707	6,734	199,214	150.6
1942	236,016	42	85	235,973	6,824	5,607	625	2,253	10,524	210,140	161.9
1943	244,836	68	85	244,819	10,245	6,083	881	1,231	23,405	202,974	157.6
1944	260,708	86	85	260,709	13,105	2,767	931	1,738	43,060	199,108	154.7
1945	270,928	38	87	270,879	27,134	16,643	2,892	1,798	18,704	203,708	151.5
1946	306,455	9	87	306,377	55,906	20,328	1,504	1,653	20,027	206,959	146.9
1947	288,124	11	88	288,047	38,004	18,949	2,849	1,644	21,046	205,555	142.6
1948	261,776	81	88	261,769	37,892	4,581	410	1,566	17,027	200,293	136.8
1949	228,103	47	88	228,062	17,188	3,352	239	1,648	2,223	203,412	136.5
1950	230,195	11	88	230,118	19,949	2,156	217	1,587	4,227	201,982	134.0
1951	228,340	65	88	228,317	19,405	879	229	1,652	4,906	201,246	132.1
1952	226,469	72	88	226,453	19,685	607	247	1,589	4,444	199,881	129.0
1953	221,542	91	88	221,545	14,889	691	228	1,634	4,598	199,505	126.5
1954	225,563	94	88	225,569	19,886	479	317	1,646	3,821	199,420	124.1
1955	226,488	98	99	226,498	21,003	595	304	1,617	3,519	199,460	121.7
1956	237,950	93	88	237,955	26,226	6/5,296	433	1,675	3,689	200,636	120.1
1957	242,074	107	88	242,093	24,913	6/9,321	515	1,622	3,274	202,448	119.0
1958	250,265	121	88	250,298	26,359	6/8,893	518	1,646	3,171	209,711	121.2
1959	253,205	160	88	253,277	27,978	6/11,684	528	1,029	2,804	209,254	118.8
1960 7/	257,899	139	88	257,950	26,646	6/16,959	462	968	2,777	210,138	117.5

1/ Commercial production of flour (reported by Census) includes flour milled in bond plus the estimated flour equivalent of farm wheat ground for flour or exchanged for flour for farm household use as reported by AMS. 2/ Includes milled-in-bond flour made from imported wheat. 3/ U.S.D.A. procurement for export other than supplies for civilian relief feeding in occupied areas. 4/ Commercial deliveries for export including U.S.D.A. procurement. 5/ Includes other products in terms of flour in addition to flour per se. Includes supplies for civilian relief feeding in occupied areas as well as those for direct use of U. S. Armed Forces. 6/ Includes exports for relief or charity by individuals and private agencies. 7/ Preliminary.

Table 22.- Wheat: Supply and distribution, Pacific Northwest, (Oregon, Washington and Northern Idaho), average 1954-58, annual 1958-60

Item	Year beginning July			
	Average 1954-58	1958	1959	1960 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Supply				
Carryover, July 1				
Stocks on farms	2,249	1,187	2,795	2,879
Stocks off farms	87,144	44,266	72,761	76,276
Total	89,393	45,453	75.556	79,155
Production	102,461	109,094	116,710	101,338
Inshipments 2/	40,992	44,253	41,321	43,843
Total supply	232,846	198,800	233.587	224,336
Distribution				
Disappearance				
Used for seed	3,840	3,791	3,316	3,420
Milled for flour	37,338	38,945	39,855	3/35,876
Used for feed 4/	4,769	4,402	3,590	3,290
Total	45,947	47,138	46,761	42,586
Rail shipments of grain	2,042	790	764	3/ 594
Exports of grain 5/	101,482	83,667	119,497	142,413
Total disappearance	149,471	131,595	167,022	185,593
Carryover, June 30	88,551	75,556	79,155	56.421
Total distribution	238,022	207,151	246,177	242,014
Difference, unaccounted 6/	-5,176	-8,351	-12,590	-17 678

1/ Preliminary.
2/ Grain, only. Imports included with inshipments.
3/ Partly estimated.
4/ Includes an estimate of wheat purchased for feed by farmers from other farmers, but does not include "wheat, mixed feed" or other wheat residuals commonly used in prepared feeds.
5/ Inspected exports, grain only.
6/ Difference between total supplies and total distribution due to unrecorded truck inshipments and unknown errors in the estimates. Minus sign indicates total distribution exceeds total supply.

Data made available through the Northwest Wheat Project carried on jointly by the Oregon Wheat Commission, Washington State Department of Agriculture, and Agricultural Estimates Division, Statistical Reporting Service, U.S.D.A.

Table 23 .- Wheat: Weighted average cash price per bushel, specified marketing and dates, June-August, 1960 and 1961

Month and date	All classes and grades, six market		No. 2 Dark Hard and Hard Winter, Kansas City		No. 1 Dark N. Spring, Minneapolis		No. 2 Hard Amber Durum, Minneapolis		No. 2 Soft Red Winter, St. Louis		No. 1 Soft White, Portland 1/	
	1960	1961	1960	1961	1960	1961	1960	1961	1960	1961	1960	1961
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month												
June	2.17	2.21	1.95	1.92	2.28	2.27	2.39	2.49	2/1.82	2/1.90	1.98	1.97
July	2.02	2.11	1.89	1.98	2.29	2.34	2.37	2.91	1.78	1.87	1.94	2.03
Week ended												
June 23	2.17	2.23	1.87	1.91	2.27	2.31	2.39	2.49	---	---	1.97	1.96
30	2.09	2.16	1.84	1.93	2.29	2.35	2.37	2.50	---	2/1.90	1.94	1.97
July 7	2.04	2.09	1.89	1.97	2.28	2.35	2.38	3/2.68	1.80	1.85	1.94	1.97
14	2.02	2.07	1.89	1.96	2.32	2.33	2.36	2.82	1.80	1.85	1.94	1.98
21	2.00	2.08	1.89	1.98	2.30	2.37	2.35	3/2.78	1.76	1.91	1.94	2.03
28	2.04	2.18	1.90	1.99	2.25	2.33	2.36	2.87	1.78	3/1.92	1.96	2.10
August 4	2.07	2.28	1.91	2.02	2.14	2.31	2.37	3.09	1.81	1.96	1.96	2.09
11	2.11	2.32	1.93	2.04	2.13	2.29	2.37	2.99	3/1.74	1.99	1.96	2.07
18	2.13	4/2.31	1.93	2.09	2.12	2.28	2.34	3.18	2/1.86	---	1.96	2.08

1/ Average of daily cash quotations.
2/ One car.
3/ Two cars.
4/ Preliminary.

Table 24 .- Wheat: Average closing price per bushel of September futures, specified markets and dates, June-August, 1960 and 1961

Month and date	Chicago		Kansas City		Minneapolis	
	1960	1961	1960	1961	1960	1961
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month						
June	1.87	1.92	1.88	1.94	2.06	2.15
July	1.85	1.95	1.90	1.96	2.07	2.24
Week ended						
June 23	1.85	1.93	1.87	1.94	2.06	2.16
30	1.86	1.95	1.87	1.96	2.06	2.22
July 7	1.86	1.95	1.89	1.98	2.06	2.27
14	1.85	1.93	1.91	1.95	2.07	2.24
21	1.84	1.96	1.90	1.97	2.08	2.25
28	1.84	1.96	1.89	1.96	2.08	2.24
August 4	1.86	1.97	1.92	1.98	2.07	2.26
11	1.86	1.98	1.92	2.00	2.09	2.24
18	1.85	2.00	1.92	2.01	2.08	2.25

Table 25.- Wheat: Price per bushel in 3 exporting countries, Fridays, nearest mid-month, January-August 1961; weekly, June-August 1961

Date (Friday)		Hard Spring: No. 1 Dark Northern at Duluth 1/ (United States)	Hard Spring: No. 2 Manitoba Northern at Fort William 2/ 3/ (Canada)	Hard Winter, No. 1 at Galveston 4/ (United States)	Soft: No. 1 White at Portland 1/ (United States)	Soft: Australia 3/
		Dollars	Dollars	Dollars	Dollars	Dollars
Mid-month						
January	13	2.10	1.64	2.24	2.10	5/1.50
February	17	2.10	1.65	2.28	2.14	5/1.51
March	17	2.10	1.66	2.25	2.08	5/1.51
April	14	2.10	1.66	2.15	2.03	5/1.50
May	12	2.16	1.66	2.13	2.00	5/1.50
June	16	2.20	1.67	2.11	1.96	5/1.50
July	14	2.30	1.70	2.14	1.98	5/1.50
August	18	2.24	1.72	2.24	2.09	---
Weekly						
June	23	2.26	1.67	2.11	1.96	---
	30	2.28	1.67	2.14	1.96	---
July	7	2.27	1.68	2.15	1.97	---
	21	2.28	1.71	2.16	2.06	---
	28	2.24	1.72	2.17	2.11	---
August	4	2.25	1.72	2.20	2.07	---
	11	2.22	1.72	2.24	2.08	---

1/ Spot or to arrive. 2/ Fort William quotation is in store. 3/ Sales to noncontract countries. Converted to United States currency. 4/ F.o.b. ship. CCC selling price for immediate delivery. 5/ Australian Wheat Board basic selling price for f.a.q. bulk wheat, f.o.b. basis, reported for January, February and March. No later firm figures available. The August report quoted prices averaged around $1.50 during April-July.

Table 26.- Wheat: Stocks in the United States on July 1, 1956-61

Stocks in position	1956	1957	1958	1959	1960	1961 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Farm 2/	67,246	59,896	50,867	114,937	95,935	135,893
Interior mills, elevators and warehouses 2/ 3/	443,676	379,162	447,128	695,241	1,154,132	1,200,114
Terminals (commercial) 4/	332,323	313,481	304,782	403,845	6/	6/
Merchant mills and mill elevators 5/	64,741	65,257	6/	6/	6/	6/
Commodity Credit Corporation 7/	125,429	91,010	78,270	81,067	63,451	70,559
Total	1,033,415	908,806	881,047	1,295,090	1,313,518	1,406,566

1/ Preliminary.
2/ Estimates of Crop Reporting Board.
3/ All off-farm storage not otherwise designated.
4/ Commercial stocks reported by Grain Division, AMS, 44 Terminal cities.
5/ Mills reporting to the Bureau of the Census on millings and stocks of flour.
6/ Included with "interior mills, elevators and warehouses".
7/ Owned by CCC and stored in bins or other storage owned or controlled by CCC; other wheat owned by CCC as well as wheat outstanding under loan is included in the estimates by positions.

Table 27.- Wheat, 1960 crop: Quantities outstanding under reseal and under loan, July 1, 1961

State	1960-crop wheat outstanding 1/		
	Under reseal	Under loan 1/	Total
	1,000 bushels	1,000 bushels	1,000 bushels
California	16	9	15
Colorado	3,555	21	3,576
Idaho	179	2	181
Illinois	---	6	6
Kansas	4,701	130	4,831
Michigan	---	4	4
Minnesota	1,317	131	1,448
Missouri	---	13	13
Montana	4,331	168	4,469
Nebraska	6,898	104	7,001
New Mexico	16	2/	16
New York	---	1	1
North Dakota	10,633	989	11,662
Ohio	---	3	3
Oklahoma	192	5	197
Oregon	282	12	294
Pennsylvania	---	4	4
South Dakota	7,407	1,238	8,645
Texas	28	2/	28
Washington	376	2/	376
Wyoming	272	2/	272
Other States 3/	---	1	1
Total 4/	40,203	2,841	43,043

1/ No purchase-agreement wheat outstanding; all transactions were completed by July 1.
2/ Less than 500 bushels.
3/ States which had less than 500 bushels under loan.
4/ Data are from CCC Operating Reports and differ slightly from totals shown in text which are from CCC Fiscal Reports.

Agricultural Stabilization and Conservation Service, Grain Division.

Table 28.- Wheat: CCC-owned stocks, by classes and commodity office areas, July 1, 1961 1/

Class	Kansas City	Dallas	Evanston	Minneapolis	Portland	Maritime Fleet		Total
						Portland	Evanston	
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Hard winter	662,274	236,510	1,336	36,814	24,632	---	15,206	976,772
Hard spring	249	---	11,105	178,710	18	---	8,697	198,779
Soft winter	1,110	176	1,751	---	13	---	---	3,050
White	306	---	316	189	30,159	6,620	---	37,590
Mixed	994	105	49	49	52	---	---	1,249
Durum 2/	---	---	---	5,349	---	---	---	5,349
Balancing item 3/	---	---	---	---	---	---	---	-17,434
Total	664,933	236,791	14,557	221,111	54,874	6,620	23,903	1,205,355

1/ Includes stocks sold but not delivered.
2/ Includes not red durum.
3/ Balancing item to bring amount reported by classes in line with amount reported in inventory.

Agricultural Stabilization and Conservation Service, Grain Division.

Table 29.- Wheat: CCC-owned stocks, by positions, by States, July 1, 1961 1/

State	Bin sites	Terminals, elevators and warehouses 2/	Maritime Fleet	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Maine	---	342	---	342
Massachusetts	---	172	---	172
New York	---	9,765	14,029	23,794
New Jersey	---	574	---	574
Pennsylvania	---	517	---	517
Ohio	---	60	---	60
Indiana	---	15	---	15
Illinois	---	10	---	10
Michigan	---	45	---	45
Wisconsin	---	15,330	---	15,330
Minnesota	760	63,677	---	64,437
Iowa	---	777	---	777
Missouri	198	28,916	---	29,114
North Dakota	9,765	51,526	---	61,291
South Dakota	9,942	28,782	---	38,724
Nebraska	490	150,008	---	150,498
Kansas	13,808	418,970	---	432,778
Maryland	---	2,428	---	2,428
Virginia	---	311	9,874	10,185
North Carolina	---	24	---	24
Georgia	---	15	---	15
Kentucky	---	35	---	35
Tennessee	---	1,664	---	1,664
Alabama	---	132	---	132
Mississippi	---	668	---	668
Arkansas	---	5,000	---	5,000
Louisiana	---	11,427	---	11,427
Oklahoma	---	98,154	---	98,154
Texas	---	117,302	---	117,302
Montana	4,201	20,224	---	34,425
Idaho	---	3,104	---	3,104
Wyoming	---	2,410	---	2,410
Colorado	872	34,750	---	35,622
New Mexico	---	2,405	---	2,405
Utah	---	598	---	598
Washington	---	24,428	---	24,428
Oregon	---	9,522	6,620	16,142
California	---	3,965	---	3,965
Sub-total	40,036	1,108,052	30,523	1,178,611
Areas in transit 3/				
Kansas City	---	---	---	15,453
Minnespolis	---	---	---	11,291
U. S. Total	40,036	1,108,052	30,523	1,205,355

1/ Includes stocks sold but not delivered. 2/ Includes terminals, subterminals, country elevators, warehouses, etc. 3/ Moved from official weight points and has not been unloaded or sold.

Grain Division, Agricultural Stabilization and Conservation Service.

Table 30.- Wheat: CCC sales or other disposition, July-June, 1959-60 and 1960-61; July-Aug., 1960 and 1961

Item	July-June		July 1-August 18	
	1959-60	1960-61	1960 1/	1961
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Domestic Sales and Dispositions				
By CSS Commodity Offices				
Nonstorable country warehouse	3,481	2,075	216	126
Nonstorable track and terminal	5,252	6,196	403	258
Statutory minimum 2/	5,805	4,969	1,644	11,065
Other domestic	485	171	16	39
Donations	20	17	13	---
By ASC County Offices				
Nonstorable bin site	5	81	4	1,231
Statutory minimum 2/	1,621	5,532	122	9,810
Total domestic	16,669	19,041	2,418	22,529
Export Sales and Dispositions				
GR-345 3/	92,309	133,499	19,483	14,834
Barter	26,041	34,746	2,015	11,453
GSM credit 4/	471	4,427	103	232
Other export	919	6,186	1,653	---
Donations	9,469	28,112	843	2,857
Total export	129,209	206,970	24,097	29,376
Total dispcsitions	145,878	226,011	26,515	51,905

1/Through August 19. 2/ For unrestricted domestic use. 3/ Sales under payment-in-kind program. 4/General Sales Manager's Credit Program; CCC sales made at the next export price.

Table 31.- Wheat: Inspections for export, by classes and coastal areas, July-June 1959-60 and 1960-61

Coastal area	Hard red spring	Hard red winter	Soft red winter	White	Durum	Mixed	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
	July-June 1959-60						
Lake Ports	11,268	96	642	2,209	---	---	14,215
Atlantic	14,344	18,936	23,238	18,341	---	702	75,561
Gulf	7,809	177,085	13,093	---	---	64	198,051
Pacific	2,323	19,580	---	102,483	---	---	124,386
Total	35,744	215,697	36,973	123,033	---	766	412,213
	July-June 1960-61						
Lake Ports	10,084	---	6,376	2,341	3,886	---	22,687
Atlantic	9,856	7,565	31,722	9,357	985	785	60,270
Gulf	3,758	314,458	13,721	---	385	5	332,327
Pacific	1,636	26,302	---	120,828	---	1,649	150,413
Total	25,334	348,325	51,819	132,526	5,256	2,439	565,699

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